

The NATIONAL UNDERWRITER

STATEMENT

ASSETS	
Cash in Banks and on Hand.....	\$1,242,902.85
Government Bonds (United States)...	2,080,341.00
Government Bonds (Canada).....	177,742.00
Railway Bonds.....	517,789.00
Public Utility Bonds.....	610,462.00
Stocks.....	524,030.00
Premiums in Course of Collection...	471,535.53
Reinsurance Recoverable on Losses.	15,807.76
Total Funds Convertible Into	
Cash on Short Notice.....	\$5,640,610.14
School Bonds.....	234,200.00
State, Municipal and County Bonds.	484,787.00
Industrial and Other Bonds.....	241,724.00
Real Estate.....	43,851.83
Accrued Interest on Investments...	39,305.48
Total Assets.....	\$6,684,478.45
LIABILITIES	
Unpaid Losses, Net.....	\$ 231,673.40
Reserve for Unearned Premiums....	2,797,261.65
Reserve for Accrued Taxes.....	60,000.00
Reserve for Accrued Expenses.....	95,000.00
Reserve for Contingencies.....	800,000.00
Total Liabilities.....	\$3,983,935.05
Permanent Surplus Fund.....	\$1,000,000.00
Add'l Surplus Over All Liabilities...	1,700,543.40
Total Surplus.....	\$2,700,543.40

ANALYSIS

Q's & A's

- Q.** *How well is Millers National prepared to meet its "quick" liabilities?*
- A.** Millers National could convert \$5,640,610.14, or 84.4% of its assets, into cash on short notice and liquidate without delay its liabilities of \$3,183,935.05 with a large reserve of liquidity to spare. It is a remarkable fact that this Company is 177% liquid.
- Q.** *How does its total admitted assets compare with its liabilities?*
- A.** Millers National's total admitted assets of \$6,684,478.45 compared to its actual liabilities of \$3,183,935.05 results in a ratio of \$210.00 of assets for each \$100.00 of liability, a ratio of more than 2 to 1.
- Q.** *In what other respect does the above statement disclose Millers National's unusual soundness as a fire insurance company?*
- A.** More than half of Millers National's admitted assets is actually surplus. To be exact \$3,500,543.40 of surplus, which of course includes \$800,000.00 in Contingency Reserve, is 52.4% of this Company's total admitted assets.

Established 1865
MILLERS NATIONAL
Insurance Company • CHICAGO
Service Headquarters for Alert Agents

STATEMENTS AS OF DECEMBER 31st, 1938						SURPLUS FOR POLICYHOLDERS Market Quotations December 31, 1938	
	*Admitted Assets	Reserve for Unearned Premiums	Reserve for Losses and All Other Claims	Contingency Reserve	Capital		
Continental.....	\$96,441,078	\$19,726,149	\$8,323,092	\$1,077,433	\$5,000,000	\$67,314,404	
Fidelity-Phenix.....	75,997,542	15,466,927	7,003,457	1,129,783	3,750,000	52,397,375	
Niagara.....	24,138,915	5,114,130	1,181,282	211,773	2,000,000	17,631,730	
American Eagle.....	19,592,516	2,999,157	2,462,880	0	1,000,000	14,191,566	
First American.....	4,765,012	861,481	230,938	0	1,000,000	3,685,839	
Maryland.....	3,207,761	359,418	97,130	45,958	1,000,000	2,705,255	
Fidelity & Casualty	50,396,051	12,125,060	22,482,869	977,944	2,250,000	14,810,178	

*Bond and Stock valuations on basis approved by National Association of Insurance Commissioners.
 †Securities carried in the above statements are deposited for purposes required by law. Continental, \$920,771.00; Fidelity-Phenix, \$825,421.50; Niagara, \$648,129.00; American Eagle, \$233,330.00; First American, \$447,321.40; Maryland, \$414,378.00; Fidelity & Casualty, \$1,328,597.25.
 ‡Contingency Reserve, representing difference between total values carried in assets for all bonds and stocks owned and total values based on December 31, 1938 market quotations.
 The American Eagle market quotations are \$61,087.00 and the First American market quotations are \$13,246.00 in excess of values carried in assets.

LOSSES PAID SINCE ORGANIZATION \$1,080,000,000

America Fore presents its Statements —

Once again the Companies of the America Fore Insurance and Indemnity Group are able to present Statements which attest the strength and stability of our organization.

We realize that our continued growth and success is due to the confidence of those brokers and agents who will not compromise with quality and are determined to provide only the best that can be obtained in insurance protection for their clients.

With the loyalty of such brokers and agents the America Fore Companies can continue to provide American industry and other property owners with insurance contracts which will be dependable through depression and disaster.

B. M. Culver
President

America Fore Insurance

THE CONTINENTAL INSURANCE COMPANY
FIDELITY-PHENIX FIRE INSURANCE COMPANY
AMERICAN EAGLE FIRE INSURANCE COMPANY
FIRST AMERICAN FIRE INSURANCE COMPANY

Eighty Maiden Lane,



and Indemnity Group

NIAGARA FIRE INSURANCE COMPANY
MARYLAND INSURANCE COMPANY OF DELAWARE
THE FIDELITY AND CASUALTY COMPANY

BERNARD M. CULVER, President
FRANK A. CHRISTENSEN, Vice-President

New York, N.Y.

NEW YORK

CHICAGO

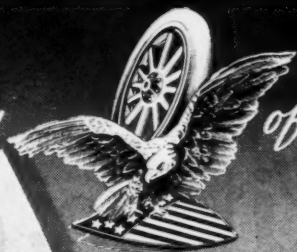
SAN FRANCISCO

ATLANTA

DALLAS

MONTREAL

Oldest and Largest Insurers of Automobiles Exclusively



Reporting
Another Year of
Progress—

Financial Statement

December 31, 1938

ASSETS

U. S. GOVERNMENT BONDS*	\$11,905,796.69
CORPORATION STOCKS	4,744,000.00
STOCK OF SUBSIDIARY FIRE INSURANCE COMPANY	1,108,941.44
†TOTAL INVESTMENTS	\$17,758,738.13
PREMIUMS IN COURSE OF COLLECTION (Less than 90 days old)	1,902,534.51
CASH IN BANKS AND OFFICES	3,013,701.13
ACCRUED INTEREST	78,364.59
TOTAL ADMITTED ASSETS	<u>\$22,753,338.36</u>

* Securities carried at \$970,515.10 in the above statement are deposited for purposes required by law.

LIABILITIES

RESERVE FOR UNEARNED PREMIUMS	\$6,640,153.38
RESERVE FOR LIABILITY CLAIMS AND CLAIMS EXPENSE (N. Y. Law)	5,231,972.68
RESERVE FOR OTHER CLAIMS AND CLAIMS EXPENSE	486,460.71
RESERVE FOR COMMISSIONS (Not Due)	413,618.49
RESERVE FOR TAXES	821,865.67
RESERVE FOR OTHER LIABILITIES	11,838.48
CAPITAL STOCK	\$2,000,000.00
SURPLUS	<u>7,147,428.95</u>
SURPLUS AS REGARDS POLICYHOLDERS	9,147,428.95
TOTAL LIABILITIES	<u>\$22,753,338.36</u>

† Valuations on basis approved by National Association of Insurance Commissioners. If actual December 31st, 1938, Market Quotations had been used, the Assets would be \$22,979,109.05, and Policyholders' Surplus \$9,373,199.64.

AMERICAN AUTOMOBILE INSURANCE CO.

ST. LOUIS, MISSOURI

BRANCH OFFICES

ATLANTA • BALTIMORE • BOSTON • CHICAGO • CINCINNATI • CLEVELAND • DETROIT
INDIANAPOLIS • KANSAS CITY • LOS ANGELES • MILWAUKEE • MINNEAPOLIS • NEW ORLEANS
NEW YORK • PHILADELPHIA • PITTSBURGH • ST. LOUIS • SAN FRANCISCO • SEATTLE



130th Anniversary

**NORTH BRITISH & MERCANTILE
INSURANCE COMPANY**

LIMITED



1809—130 Years of Stability and Enterprise—1939



The NATIONAL UNDERWRITER

Forty-third Year—No. 5

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, FEBRUARY 2, 1939

\$4.00 Per Year, 20 Cents a Copy

Chicago Plan Is Causing Bitterness and Excitement

Class 1 Leaders Avoid Public Clash with Classes 2 and 3

The class 1 members of the Chicago Board have refrained from issuing statements regarding the proposed revision of commission scales in Chicago and Cook county, apparently desiring to avoid a battle of statements and counter statements with the brokers and class 2 agents, who have been carrying on a campaign against the plan, largely in the newspapers. However, it is possible to present some of the ideas of the leaders in the board, who do favor adoption of the plan and who believe that it would be a decidedly forward step in the direction of acquisition cost reform in Chicago and Cook county.

The sacrifice that the brokers are called upon to make under the new plan, according to its advocates, is negligible. The commission to brokers on ordinary business remains at 15 percent and, it is asserted that at least 75 percent of the brokers' business is ordinary. On preferred business the commission to brokers under the plan is 20 percent instead of 25 percent as at present.

Average Commission 18 Percent

The estimate is that the average commission received by brokers under the present scale is 18 percent. Most of the brokers are housed in class 1 offices and it is estimated that this housing is the equivalent of 3½ percent cash commission. That means that the broker receives today 21½ percent (disregarding entirely the matter of excess commissions). Under the new setup, it is estimated, his average would amount to 20 percent or a decrease of only 1½ percent.

The great volume of preferred business is controlled by the mortgage bankers. They will be the ones that will be called upon to make the largest sacrifice. The operations of these mortgage bankers have always constituted quite an issue in the business. The full time insurance broker has always taken the position that the mortgage banker does not provide real insurance service and constitutes unfair competition. Leaders in the board say that the brokers hence should not oppose the reduction, which will fall most heavily upon this class.

Class 2 Situation

Class 2 agents will get 15 percent on ordinary and 20 percent on preferred instead of 15 and 25 percent as at present. However, if they keep records, write their own policies and operate as does a local agent in ordinary territory, for instance Joliet, Ill., they will get the same commission as do the Joliet agents.

(CONTINUED ON PAGE 12)

John Wohlgemuth Heads Organization

Becomes President of The National Underwriter— Other Changes Made

At a meeting of the directors of The National Underwriter Company at its executive office in Cincinnati, John F. Wohlgemuth of Chicago, secretary of the publishing company, was elected president to succeed his brother, the late E. Jay Wohlgemuth. Vice-president



JOHN F. WOHLGEMUTH

Howard J. Burrige of the Chicago office was also elected secretary. Abner Thorp, Jr., and Louis H. Martin were elected vice-presidents at the Cincinnati office. Mrs. Stella Goss Wohlgemuth of Cincinnati was chosen treasurer and George E. Wohlgemuth, Cincinnati, assistant secretary. John O. Cartwright becomes assistant secretary at Chicago.

Mr. Wohlgemuth, who becomes head of the organization, was born on a farm in Michigan in 1879, was educated in the grade and commercial schools at Detroit. He became associated with Gauller's Insurance Agency in that city. He moved to Cincinnati in 1900 to become reporter for THE NATIONAL UNDERWRITER and also a compiler for its state insurance directories. He did considerable traveling in connection with the directories. He left business and entered the Cincinnati Law School, graduating at the end of three years, in 1907. He then became a claim investigator in Cincinnati for the Travelers' liability department. He returned in 1909 to THE NATIONAL UNDERWRITER organization at Chicago as associate editor in charge of the news desk. He became secretary in 1917, being placed in charge of the sales department. Later he gave his entire time to secretarial work and had charge of the Chicago office. In 1926, he assumed the editorship of the "Casualty Insurer," one of the affiliated publications. Mr. and Mrs. Wohlgemuth, who reside at Hinsdale, Ill., a suburb of Chicago, will move in a few months to Cin-

Seely Is Appointed Assistant Manager

Well Known Crum & Forster Official is Honored by the Management

FREEPORT, ILL.—W. A. Seely, field superintendent of Crum & Forster's western department here, has been given the title of assistant manager. His duties will be about the same and he will continue to be chiefly identified with business development. He has been acting as contact man for the office and the field for some time. In association with Assistant Manager J. W. Gregory, who has been and will continue to have general supervision over the underwriting, he will be in a position to serve more effectively the interests of the organization.

Mr. Seely came from Iowa. His first experience was with the old Hawkeye & Des Moines, followed by several years in local agency work. He became associated with the western department of Crum & Forster here in 1918. He returned to Iowa as special agent associated with State Agent W. H. Faulkner. In 1924 he was transferred to Indiana as state agent. He returned to the western department office in 1929 as field superintendent.

cinnati and maintain their residence there.

Mr. Burrige is in charge of the sales organization and has other important executive duties. He has been with the organization for 26 years. Mr. Martin is manager of the Cincinnati office and has been connected with THE NATIONAL UNDERWRITER for 13 years since his graduation from the University of Cincinnati in 1925. He is head of the book department. He was born in the insurance publishing business. His grandfather, the late Dr. H. C. Martin, founded the Rough Notes Company of Indianapolis and was editor of "Rough Notes." His father, the late Louis H. Martin, was vice-president of the Rough Notes Company and later became advertising manager of the Globe-Wernicke Company of Cincinnati which he served in that capacity until his death.

Mr. Thorp is head of the life insurance service department at Cincinnati and is the founder and editor of the "Diamond Life Bulletins," well known life insurance publication. He was associated with the Provident Mutual Life at Cincinnati before joining THE NATIONAL UNDERWRITER, with which he has been associated for 20 years.

Mrs. Wohlgemuth's husband founded The National Underwriter Company and served as its president until his death. George Wohlgemuth is the news representative of THE NATIONAL UNDERWRITER at Cincinnati and is also editor of the "Industrial Salesman," a monthly affiliate. He has been with the company since his graduation from the University of Michigan in 1930. He is a nephew of John F. Wohlgemuth.

John Cartwright is manager of the circulation department and when Mr. Wohlgemuth takes up his residence in Cincinnati, he will be office manager in Chicago in addition to his present duties.

Smrha Provokes New Issue Over Examinations

Nebraskan Clashes With Pink—Commissioners Meet in Chicago Tuesday

LINCOLN, NEB.—In a politely-worded but curt letter to Superintendent Pink of New York, Insurance Director Smrha of Nebraska protests the recent action of Mr. Pink in declining the services of convention examiners in the audit of four New York companies, allegedly after having invited their cooperation. D. R. Hodder of Nebraska is one of them. Mr. Smrha writes that Mr. Hodder is a capable man, and "I do not

Commissioners Parley Will Be Held in Chicago

The executive and examination committees of the National Association of Insurance Commissioners will meet in the Palmer House, Chicago, next Tuesday for a joint conference. It is likely that the officials of the organization will also attend. L. H. Pink, New York, is chairman of the first named committee and J. G. Read of Oklahoma the second. Seemingly there are problems yet to be solved in the zone convention examination scheme. A number of disputes have arisen. Some commissioners are urging the association develop its own battery of expert examiners.

The meeting was called primarily by the issue precipitated by Smrha of Nebraska.

According to word from New York Pink expressed willingness to have other states represented in the examinations of several large companies, but held they should be limited in number. The Nebraska representative apparently reached town after the allowed quota of examiners had been reached and was barred from the examination. This resulted in an exchange of letters between Smrha and Pink.

feel at all happy over the situation, and would deplore being directly or indirectly a party to any activity which might lead to a rupture between the department of New York and the departments of other states."

"If a convention could be made to function along the same lines that your own examinations are conducted, then there would be no objection on your part because the examiners are not residents of New York. I take it that the examiners you now have were not al-

(CONTINUED ON PAGE 12)

N. Y. Code Bill As Introduced Contains Few Changes

The proposed revision of the New York insurance law, as contained in the bill that has now been introduced, is far less of an overhauling of the structure than was earlier contemplated.

The bill contains few radical changes from the existing law. The committee has taken the position that it should, whenever possible, eliminate controversial subjects from the bill, and that recommendations of the department or others should be set up in separate bills at a later date after the recodification bill has been enacted.

The bill rearranges the provisions of law in a more logical manner. The measure undertakes to write into the law provisions which have been in the past department rulings. The investment section has been made less liberal.

The bill provides for the incorporation of medical non-profit corporations. It also provides for an examination of the life insurance agent with certain limited exceptions.

A separate bill has been introduced in the New York senate in which the New York City brokers associations are much interested. It provides that an applicant for a broker's license must have had either 120 instead of 90 hours of classroom work in a qualified insurance class or school, or in lieu thereof two years' service instead of one year now provided in responsible insurance employ in two instead of one or more of the following branches of insurance: fire, marine, liability and compensation, surety and fidelity.

When copies of the code are printed, three public hearings will be held.

Agents Meet at Wilson, N. C.

WILSON, N. C.—W. H. Andrews, Jr., Greensboro, N. C., president North Carolina Association of Underwriters, was speaker at a meeting of Henderson, Raleigh, Rocky Mount and Wilson insurance agents here, outlining legislative work.

Home Changes in Pacific Northwest

Keith Rhodes, formerly special agent at Spokane for Home of New York, has been appointed state agent at Portland, Ore. He succeeds W. B. Rasmussen, who has become vice-president of the Stuart G. Thompson-Elwell agency with headquarters in Portland. Mr. Rhodes is succeeded at Spokane by Hallock Bartlett who has been traveling out of Portland.

Burlington, Wis., Board Elects

BURLINGTON, WIS.—Members of the Burlington Board in annual meeting reelected Russell Cooney president; W. K. Porter, vice-president; Leonard Cunningham, secretary-treasurer; George Weiler was renamed and Gilmore Gulbranson elected to the board.

Baker Leads Special Risk Group

W. J. Baker, Insurance Company of North America, was elected chairman Western Conference of Special Risk Underwriters at the annual meeting in Chicago. Vice-chairman is T. K. Pfafflin, Home of New York, and secretary-treasurer is E. H. Born, Western Underwriters Association. These officers met together this week to plan the program for this year.

Glens Falls Managers Confer

The officers of Glens Falls, who are located at points other than the home office city, are in Glens Falls this week for their annual conference with the head executive staff.

The Perry County Mutual Fire, Somerset, O., has reorganized and elected the following officers: W. M. Binckley, Rushville, president; T. P. Zartman, Thornville, vice-president; Samuel W. Moore, Roseville, treasurer, and Thomas W. Ream, Somerset, secretary.

Florida Agency Leader Dies in Jacksonville



QUINLAN ADAMS

Quinlan Adams, president of the Jacksonville Insurers Association and a past president of the Florida Insurance Agents Association, died in a hospital in Jacksonville. He was head of the insurance department of Jacksonville Properties, Inc. He was educated at Texas A. & M. College. He moved to Florida in 1922 and had been in Jacksonville since 1933.

Malladiou Heads Round Table

W. E. Malladiou, general manager of the National Board, was elected president of the Knights of the Round Table of New York at the annual dinner meeting. Forty-two were present.

Northern of N. Y. Pays \$1 Extra

Northern of New York has declared a regular dividend of \$1.50 and an extra of \$1 payable Jan. 30 to stock of record Jan. 14.

Pacific Underwriters Program for Meeting March 15-16 Given

Public relations, explained by one of the west's outstanding leaders in this activity; credit and insurance, and forest insurance are among the leading subjects for discussion at the coming annual meeting of the Fire Underwriters Association of the Pacific, according to the program announced by J. K. Woolley, president and manager Washington Surveying & Rating Bureau. The meeting will be held March 15-16, with a program of educational features essential for further development of insurance coverages. Effort has been made to bring out the value of research to uncover needs for coverages, especially to keep the business ahead of the requirements of industry and capital.

Following reports and the annual president's address, the program is:

Details of Program

"Vocational Education—The Key to the Future," W. G. Rich, assistant manager Royal-Liverpool group; "Forest Insurance," H. B. Shepard, forest engineer, Boston; "Consequential Losses," G. N. Hedreen, special agent Fire Association, Seattle; "Relation of Credit to Insurance," R. H. Bosschart, president National Association of Credit Men; "Important Phases of Fire Insurance," C. L. King, assistant manager Crum & Forster; followed by discussion of the producers' position by W. H. Menn, president National Association of Insurance Agents.

The program in the Thursday business session is:

"Group Action vs. Mutual Competition," F. H. French, acting manager Pacific Factory Insurance Association; "Public Relations," A. E. Roth, president San Francisco Employers Council; "Third Party Liability," G. W. Clarke, insurance attorney, Seattle; "Objectives of Organized Group Action," S. L. Carpenter, Jr., manager Pacific Board.

The final session March 16 will be devoted to discussion of papers presented, committee reports and election. A banquet will be held that evening. H. W. Nason is arrangements chairman.

MacDonald Selected as Wyoming Commissioner



ARTHUR J. HAM
Retiring Official

Alex MacDonald of Rock Springs, Wyo., has been appointed Wyoming insurance commissioner succeeding Arthur J. Ham, who becomes special representative of the Western Conference of Insurance Commissioners dealing with misallocated and unallocated premium taxes on inland marine business. Theodore Thulemeyer, former commissioner, has been appointed temporary acting deputy, succeeding J. F. Jordan.

Mr. MacDonald is one of the leading citizens in his community. For the past ten years he has been in the building and loan business. Mr. Ham was very active during his term of office and made an excellent record. He is very much interested in the Western Conference of Insurance Commissioners and was prominent in its activities.

Mr. Ham will have his headquarters in Denver. Under a reorganization bill now before the Wyoming legislature, sponsored by Governor Smith, the insurance commissioner's office would be discontinued and the department taken over by the board of equalization, which would be known as the state insurance commission. The commissioner in charge would be at a lower salary than has been paid.

The measure is said to have some strong opposition. If it fails to pass, Mr. MacDonald and Thulemeyer are expected to receive the new appointments for the coming four-year term. These present appointments run until March 1, 1939—the balance of Mr. Ham's unexpired term.

Fieldmen and local agents both seem satisfied with his appointment.

Phoenix of Hartford Exhibit

Phoenix of Hartford showed assets at the end of 1938 of \$61,500,409, an increase of \$3,563,553. Surplus increased \$615,694 to \$39,423,566. Combined underwriting and investment earnings were \$2,278,673, a decrease of \$70,357.

Net premiums of the group, comprising the Phoenix, Connecticut Fire and Equitable F. & M., totaled \$14,829,366, a decrease of \$346,746. Losses were \$5,927,903, an increase of \$475,298. Stocks and bonds appreciated in value \$2,790,000. This gain was added to the securities adjustment reserve, which is now \$5,000,000, compared with \$2,000,000 at the end of 1937 and \$7,500,000 at the end of 1936. Taxes amounted to \$1,019,372, which was 6.87 percent of premiums written.

Losses in the New England hurricane in September amounted to \$472,261.

The Blue Goose auxiliary at Wichita have announced a Dinner-Bridge for the Ganders of the Sunflower Puddle for Feb. 11.

THIS WEEK IN INSURANCE

A joint meeting of the executive and examination committees of the National Association of Insurance Commissioners is called Tuesday in Chicago. **Page 3**

Insurance Director Smrha of Nebraska makes public a letter he has sent to Superintendent Pink of New York, taking exception to the attitude of Mr. Pink on the company examination question. **Page 3**

W. A. Seely has been made assistant manager at Crum & Forster's western department at Freeport, Ill. **Page 3**

John F. Wohlgenuth of Chicago, secretary of The National Underwriter Company, has been elected president and in due season will take up his residence in Cincinnati. Other changes are made in the organization. **Page 3**

Reductions predominate in auto rate changes currently being promulgated by National Bureau. **Page 15**

London Lloyds wins dismissal of quo warranto action brought by 17 surety companies in Illinois. **Page 15**

Personnel of Illinois insurance advisory council announced with holding of first meeting of 1939. **Page 36**

F. E. Potter of the Home of New York has been elected president of the Eastern Loss Executive Association. **Page 8**

Grand Union Underwriters of New York City has been established to write facultative reinsurance. **Page 6**

H. C. Conick, assistant U. S. manager Royal-Liverpool, was elected chairman of the governing committee of the Interstate Underwriters Board at the annual

meeting. I. U. B. premiums in 1938 reached a new high of \$8,000,000. **Page 5**

Moves are made to adjust the differences in Birmingham, Ala., between adjusters and the Bar Association, so as to avoid a bitter court fight. **Page 19**

Campaign is launched in Illinois by Surety Association of Chicago to promote the interests of American companies in selling insurance to Illinois banks. **Page 26**

H. V. Upington, New York resident manager for Fidelity & Casualty, is dead. **Page 19**

T. B. Donaldson elected president of Pennsylvania Indemnity and Pennsylvania Indemnity Fire, Walter Moses board chairman; others advanced. **Page 15**

J. D. Dorsett, who has been permanent chairman of the North Carolina industrial commission, is appointed casualty manager of the Association of Casualty & Surety Executives. **Page 15**

J. H. Higgins of Dayton, O., former field man for The National Underwriter, pays tribute to its late president, E. J. Wohlgenuth. **Page 18**

Alex MacDonald of Rock Springs, Wyo., has been appointed insurance commissioner of his state. **Page 4**

J. K. Hooker, vice-president Automobile, has been reelected president of the Factory Insurance Association of Hartford. **Page 8**

Council of Rating Managers & Secretaries takes steps to get an understanding with manufacturers of air conditioning equipment. **Page 13**

Phoenix of Hartford Makes Promotions

John A. North, C. A. Snow, P. W. Scheide and H. H. Kendall Advanced

HARTFORD—The Phoenix Fire announces four promotions at its home office. John A. North, Chester A. Snow and Philip W. Scheide have been named secretaries and Harry H. Kendall assistant secretary. The first three were formerly assistant secretaries, all having been appointed in 1936. Mr. Kendall has been superintendent of agencies since 1928. Mr. North joined the Phoenix as Texas special agent in 1925 upon his graduation from Yale. Four years later he was made special agent for Connecticut and western Massachusetts. Mr. Snow, who joined the company in Chicago in 1912, has served as general inspector in the midwest. He has been in the home office since 1928 and in 1928 was made superintendent of the special risk department.

Mr. Scheide was appointed general agent in charge of inland marine underwriting in 1928. Mr. Kendall joined the western department in Cincinnati in 1891.

Geoghegan Heads Cincinnati Agents

CINCINNATI—T. M. Geoghegan, vice-president Perkins & Geoghegan, prominent local agency, was elected president of the Cincinnati Fire Underwriters Association. He entered the insurance business in 1910 after being in the manufacturing and mercantile line during the eight years following his graduation from college.

Thomas T. Bryant was elected vice-president and J. F. Schweer was re-elected secretary-treasurer. Other members of the governing board are A. M. O'Connell, Max Bernstein, and Gustav May.

The new officers will be in charge of the association meeting for the first time Feb. 9 when John A. Lloyd, Ohio superintendent of insurance, makes his first official appearance in that capacity in Cincinnati.

Farm Rating Technique Round Table Set for Feb. 15

Ira D. Goss, farm and hail manager of America Fore, has arranged for a meeting of the advisory committee of the Farm Underwriters Association, of which he is chairman, in French Lick, Ind., Feb. 15. At that time the members will engage in a general discussion of the technique of farm insurance rating for the purpose of designing a system that will provide greater flexibility and enable stock companies particularly to compete on a more even footing with the local mutuals in the better regions and in respect of the preferred type of risk.

Bixby and Phillips Retire: Duncombe Is Treasurer

George E. Bixby and William H. Phillips, respectively treasurer and secretary of the Providence Washington, have retired. Mr. Bixby has a record of 63 years' and Mr. Phillips 57 years' continuous service. As treasurer Mr. Bixby is succeeded by R. S. Duncombe, who has been connected with the company since 1927.

The Providence Washington has opened a brokerage and service office in New York with country binding facilities. Charles G. Kievit is manager.

The directorate of **Employers Mutual Casualty** of Des Moines was increased to 15 at the annual meeting with the election of four new men.

I. U. B. Premiums in 1938 Reach High of \$8,000,000

NEW YORK—In each of its 10 years, Interstate Underwriters Board has supervised an increasing amount of premiums. The new high for 1938 of

term as chairman of the governing committee having expired, H. C. Conick, assistant United States manager of Royal-Liverpool was chosen his suc-

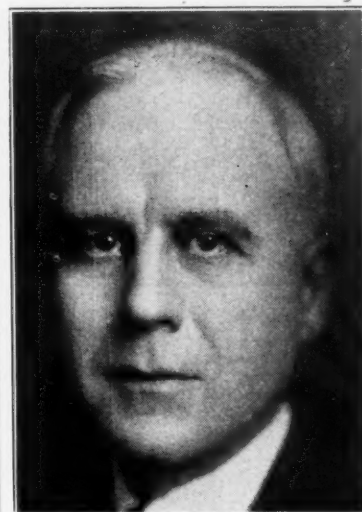


H. C. CONICK

\$8,074,325, increase over 1937, \$286,178. The 1938 record was reviewed by Esmond Ewing, vice-president Travelers Fire, as chairman of the governing committee at the annual meeting. To Manager John R. Dumont he attributed much of the I. U. B. success.

The I. U. B., Mr. Ewing emphasized, is not an originating body, but secures its rates from local rating organizations and is thus enabled to maintain constant touch with these agencies and learn the bases upon which their figures are prepared. The I. U. B. employees now number 41 at the headquarters office. Branches are maintained in Atlanta, Chicago and San Francisco.

In the I. U. B. the chairman of the governing committee is chosen for two successive terms. Mr. Ewing's second



J. R. DUMONT

cessor, Ivan Escott, vice-president of Home, is vice-chairman, and B. M. Culver, president America Fore, was re-elected treasurer. The other members of the committee are:

R. M. Bissell, president, Hartford Fire; K. B. Hatch, vice-president Fire Association; J. K. Hooker, vice-president Automobile; F. W. Koeckert, United States manager Commercial Union; A. R. Phillips, vice-president Great American; Benjamin Rush, president North America; C. F. Shalleross, United States manager North British & Mercantile; J. M. Waller, vice-president Aetna, and the chairman or president of Eastern Underwriters Association, Western Underwriters Association, South-Eastern Underwriters Association and Pacific Board.

Mutual Companies' 1938 Figures

	Adm. Assets	Unearned Prems.	Net Surplus	Cash Income	Net Losses Paid	Total Cash Income	Total Divid.
Central Mfrs' Mut.	6,829,102	2,588,754	2,975,901	3,818,191	1,199,754	4,139,068	3,720,628
Cream City Mut.	470,227	100,523	365,220	87,897	26,200	119,825	92,560
Druggists Mut., Ia.	339,771	94,595	224,104	189,910	60,132	196,725	182,719
Farm's Mut. Reins., Ill.	2,135,708	1,549,095	445,869	1,912,539	266,857	1,941,043	532,937
Guar'tee Mu. Fire, O.	477,851	253,052	190,366	300,169	95,647	314,298	274,287
Hdwe. Deal. Mu., Wis.	7,844,536	3,872,272	3,215,080	4,490,883	1,255,492	4,791,078	4,162,655
Hingham Mu., Mass.	906,891	334,965	557,656	248,746	72,239	282,543	250,627
Hurst Home, Ky.	421,030	.....	419,257	121,153	75,676	133,293	110,070
Ind. Lbrmans Mut.	3,590,199	1,420,362	1,936,063	1,892,487	774,853	2,082,927	2,012,153
Kansas Farm's Mut.	349,332	360,210	188,833	105,293	60,657	116,673	113,594
Middlesex Mu., Conn.	2,669,106	257,205	2,141,016	185,306	73,961	307,123	204,275
Millers' Mut., Ill.	3,208,500	1,187,233	1,705,822	1,656,593	480,071	1,769,126	1,604,068
Minn. Farmers Mut.	1,046,769	163,995	760,235	846,746	421,575	861,874	777,042
Minn. Implement.	6,633,226	3,904,249	1,865,914	4,775,747	1,552,065	5,097,446	4,766,161
Ohio Mutual	500,827	67,923	419,053	75,221	19,086	91,692	88,533
Providence Mu., R. I.	1,572,930	316,511	1,242,934	172,166	43,833	244,069	286,136
Quincy Mutual Fire	3,141,513	1,168,266	1,920,158	1,047,932	344,328	1,179,741	975,827
Richland Co. Mut., O.	675,804	56,287	614,476	116,124	29,889	137,811	113,319
Salem Mutual Fire	172,040	85,844	92,494	74,499	31,211	82,788	83,729
Texas Hdwe. Mut.	167,018	52,888	102,865	109,166	19,619	114,525	102,486
Tri-State Mut. Grain Dealers	543,702	104,858	420,212	151,962	37,053	182,487	133,949
Union Mut. Fire, R. I.	1,442,969	674,231	635,059	545,796	156,964	604,558	565,561
Union Mut. Fire, Vt.	517,327	78,908	294,985	309,409	180,789	326,373	.....
United Retail Mer.	49,633	15,053	34,231	41,106	15,861	42,890	53,576
Vermont Mut. Fire	1,015,533	365,687	513,340	553,979	253,555	589,113	598,584
West Bend Mut., Wis.	495,002	90,623	373,671	87,687	22,714	114,121	78,367

FIGURES FROM DEC. 31, 1938 STATEMENTS

	Assets	Changes in Assets	Reins. Res.	Changes in Reins. Res.	Capital or Stat. Dep.	Surplus	Changes in Surplus	Net Prems.	Losses Paid	Loss Ratio
Amer. Automobile Fire...	3,073,239	+489,776	1,421,475	+198,533	300,000	808,941	+235,523	2,865,032	1,027,406	35.8
American Indemnity	3,920,399	+334,844	1,025,216	+102,984	1,000,000	600,000	+85,000	1,866,706	724,012	38.8
American Fire	461,301	+30,506	48,712	+22,807	200,000	200,856	+3,500	56,256	17,123	30.4
Equitable Fire	1,292,443	+27,975	212,449	-28,368	300,000	663,747	+60,597	199,488	99,078	45.1
First National, Wash.	442,070	-8,763	.....	.....	250,000	191,455	.....	.....	.....	.....
General, Wash.	14,823,287	+1,509,970	6,853,219	+1,144,686	1,000,000	5,321,474	+377,408	7,173,502	2,211,583	30.8
Millers National, D. C.	6,684,478	+316,651	2,797,262	+62,487	1,000,000	1,700,543	+203,666	3,296,483	1,225,709	37.1
National Capital, D. C.	536,092	+5,424	.....	.....	200,000	162,683	+3,396	185,823	81,539	43.9
Old Dominion Fire	454,575	-2,778	29,578	-1,129	200,000	219,404	-508	29,683	11,535	38.8
Pioneer Equitable, Ind.	393,740	+24,986	100,328	+4,423	200,000	67,858	+15,903	100,826	41,435	41.1
Prudential Fire, Okla.	174,166	+1,045	.....	.....	100,000	63,287	+1,200	144,760	64,891	44.8

Shows Hidden Taxes Paid by the Assured

U. S. Chamber of Commerce Analyzes Imposts Levied on Insurers

WASHINGTON, D. C.—America's 65,000,000 policyholders paid \$103,281,169 hidden taxes in the form of special state levies on insurance companies in 1937, as shown in a survey by the insurance department of the U. S. Chamber of Commerce.

This figure, the chamber says, represents only the special state insurance taxes, licenses and fees, and does not include the taxes that insurance pays in common with other lines of business. The amount of these special state taxes was the largest ever collected in any year—about 5 percent larger than in 1936.

Diverted to General Use

Originally, it is pointed out, these special state taxes were intended to cover only the cost of insurance supervision and were supposed to be so earmarked. The great bulk of these taxes are now being diverted for general use. In 1937 \$5,262,842 was spent for maintenance of state insurance departments, the remaining \$98,018,327 being used for purposes for which policyholders already had paid their share as general taxpayers.

In effect, the chamber says, these special levies are a tax on thrift because inevitably they result in increased premiums, which are, in the final analysis, voluntary thrift payments by policyholders.

"Another objection to the special insurance tax," the chamber declares, "is that it is discriminatory between the insured and the non-insured."

Indiana District 4 Meeting

A meeting of District 4 of the Indiana Association of Insurance Agents will be held at Lafayette Thursday.

Rule Changes in Iowa

DES MOINES—The changes in fire insurance rules recently made in a number of middle western states have been put in force in Iowa. This includes adoption of the "gross earnings" co-insurance use and occupancy form for mercantile risks, new cleaning fluid endorsement, abolition of the \$2 minimum charge for adding the extended coverage endorsement to policies in force, amendment of the consequential loss and damage clause, changes in reporting forms and a provision that the additional charge for fire department service fees must be made on both fire and extended coverage premiums.

Declares Stock Dividend

Through the declaration of a stock dividend the capital of the Employers Casualty, Dallas, has been increased from \$400,000 to \$500,000.

Nashville Seeks Lower Rates

NASHVILLE, TENN. — Nashville has applied to the National Board for a rate reduction on the basis of a fire loss of only \$167,000 for 1938 as compared with \$612,000 in 1937.

NEWS OF THE COMPANIES

Fester, Fothergill Offer Facultative

NEW YORK—John A. Heinze, manager of reinsurance firm of Fester, Fothergill & Hartung of 90 John street, announces the formation of the Grand Union Underwriters of New York to write facultative reinsurance of fire and allied lines.

The companies comprising this group are: Urbaine Fire; Union & Phenix, Espanol and French Union & Universal. Their combined United States assets exceed \$4,500,000 and surplus \$2,400,000 on the market basis as of Sept. 30. They are entered in all states necessary for a company engaged in facultative reinsurance.

Each has built a record in the reinsurance field, and is known as sound, substantial and conservative. Urbaine has just started its second century, as it was founded in 1838. Union & Phenix, which began operating in 1864, recently celebrated its 75th anniversary. French Union & Universal was organized in 1899 and had its 40th anniversary this year. These companies have been represented by Fester, Fothergill & Hartung in the United States for many years.

Cowan & Dengler of New York City, have been appointed advertising counsel for the Grand Union Underwriters. Raymond D. Parker of Cowan & Dengler, will be the account executive.

Ingrey Named Secretary

The Excess Management Corporation has appointed G. W. Ingrey secretary.

His initial reinsurance experience was with the United States branch of the General Fire of Paris, with which he was identified for seven years, successively in the accounting, loss and underwriting departments. In 1937, he was appointed assistant secretary of Sterling offices, later advancing to secretary. He resigned this connection to assume the new post.

President Berry on Board, Pfenninger Comptroller

Peter J. Berry, recently elected president of the Security of New Haven, has been elected a member of its board and also a director of the affiliated East and West. The office of comptroller for the Security, East & West and Connecticut Indemnity was created, and Arnold Pfenninger, chief accountant for 12 years, was named to fill the post.

General of Seattle Gains

Assets of General of Seattle on Dec. 31, 1938, were \$14,823,286 as compared with \$13,313,317 the previous year. The premium reserve is \$6,853,218, a handsome gain, indicating a big increase in premium writing. The reserve on Dec. 31, 1937, was \$5,708,533. Capital is \$1,000,000 and net surplus \$4,801,473 as compared with \$4,446,566. There is a general voluntary reserve of \$720,000.

Examines Illinois Fire of Peoria

The Illinois department has issued its report of the examination of Illinois Fire of Peoria as of Aug. 1. Assets were \$471,678, premium reserve \$150,581, capital \$200,000, net surplus \$104,632. The examiners find that all contractual obligations are promptly fulfilled in accordance with the provisions. It started in business May 10, 1876. Its premiums from Jan. 1 to Aug. 1 amounted to \$65,822, total income \$74,267, losses \$29,300, total disbursements \$88,559. Its loss ratio for the first seven months was 48.2, adjustment expense 5.6, underwriting expense 59.9.

Lenox Carruth is Secretary

Republic of Texas reports its assets passed the \$8,000,000 mark for the first time making it the first Texas fire company to pass that point. The total on Dec. 31 was \$8,134,950. Surplus now stands at \$5,903,912 of which \$2,000,000 is capital. Gains in assets, premium income, unearned premiums, contingency reserve and surplus were recorded. Lenox Carruth was elected secretary. Formerly a special agent at Austin, he was brought to the home office recently to fill the vacancy caused by the death of A. P. Hundley several weeks ago. A quarterly dividend of 3 percent or 30 cents a share has been declared.

Svea Reinsures Its Portfolio

Christiania General has reinsured the entire unearned premium liability of the United States branch of Svea. The two companies have been operated under the

management of J. M. Wennstrom for reinsurance business only. Until 1932, Svea was in the direct writing field in this country but at that time it retired from the agency business, reinsuring with Home of New York. As of Dec. 31, 1937, Svea had premium reserve of \$384,522. In 1937 its net premiums written were \$318,137.

Moberg Assistant Secretary

NEW YORK—Frank E. Moberg, for the past 10 years chief accountant for National Fire & Marine, has been appointed an assistant secretary.

National Union Fire Changes

PITTSBURGH—Thomas L. Orr has been elected treasurer of National Union Fire succeeding A. W. McEldowney. Paul Mellon has resigned as director and vice-president. He is succeeded on the board by Howard M. Johnson.

The directors declared a dividend of \$1.50 and an extra dividend of \$1 payable Feb. 20 to stock of record Feb. 6.

COMPANY NOTES

Dan Moody, former governor of Texas, has been elected a director of the Employers Casualty of Dallas.

The Travelers Mutual Casualty of Des Moines is retiring from Oklahoma.

Directors of Paul Revere Fire of Buffalo declared an extra dividend of 5 cents a share in addition to the usual semi-annual payment of 60 cents, both payable Feb. 1.

Vincent P. Berger, formerly identified with the Detroit office of the U. S. F. & G., has been made head of the safety engineering department of the Pittsburgh office, succeeding C. Brooks Holley, transferred to Atlanta, Ga.

Michigan Bill Would Tax Uninsured Motorist

LANSING, MICH.—Effort to penalize Michigan motorists who fail to provide public liability insurance by increasing their tax bills is a feature of a bill introduced in the legislature by Representatives James Stanley, Kalamazoo, and R. N. Sawyer, Monroe. An uninsured autoist would be required to pay 5 percent extra weight tax annually when obtaining his car license plates. Insurance carried by motorists granted the regular tax rate would be required to be placed with companies licensed in Michigan.

Blames Compromises for High Rates

President Ira Parker of the Nashville Chamber of Commerce, in addressing its safety committee, blamed local agents for the higher automobile rates in the city. He claimed that Nashville pays higher rates than Memphis although the latter has more traffic fatalities per population. He argued that the insurance companies are responsible because instead of fighting illegal claims they compromise too many. There were 18 deaths last year.

GENERAL INSURANCE COMPANY OF AMERICA HOME OFFICE—SEATTLE

ANNUAL STATEMENT—DECEMBER 31, 1938

ASSETS	
Cash in Banks and On Hand.....	\$ 1,684,726.61
*United States Government Bonds.....	4,429,922.01
*Other Bonds and Warrants.....	3,267,565.08
*Stocks.....	3,846,684.00
Mortgage Loans.....	69,485.88
Real Estate.....	194,992.55
Premiums in Process of Collection.....	1,160,881.78
Accrued Interest and Rents.....	63,031.18
Other Admitted Assets.....	105,997.51
TOTAL ASSETS.....	\$14,823,286.60
LIABILITIES	
Reserve for Unearned Premiums.....	\$ 6,853,218.58
Reserve for Losses in Process of Adjustment.....	419,101.61
Reserve for Dividends, Commissions, Taxes and Expense.....	777,336.21
Funds Held Under Reinsurance Treaties.....	252,156.37
Capital.....	\$1,000,000.00
General Voluntary Reserve.....	720,000.00
Net Surplus.....	4,801,473.83
Policyholders Surplus.....	6,521,473.83
TOTAL.....	\$14,823,286.60

*Bonds and Warrants are stated at Amortized or Investment Values, stocks at values approved by the National Convention of Insurance Commissioners. On basis of December 31, 1938, market quotations for all bonds and stocks owned, this company's total admitted assets would be increased to \$15,052,935.15 and Policyholders Surplus to \$6,751,122.38.

DISTRIBUTION OF ASSETS

Cash and United States Government Bonds—41.3%; Other Bonds and Warrants—22.0%; Stocks—26.0%; Mortgage Loans—0.5%; Real Estate—1.3%; All other Assets—8.9%

A Strong and Progressive Company for Progressive Agents

NEW YORK OFFICE
111 John St.



CHICAGO OFFICE
209 W. Jackson Blvd.

ST. LOUIS OFFICE
200 North Broadway

NEW YORK
BUFFALO
PITTSBURGH
CLEVELAND
COLUMBUS
DETROIT
INDIANAPOLIS
MILWAUKEE
MINNEAPOLIS
DULUTH

MARSH & MCLENNAN

INSURANCE

164 West Jackson Boulevard

Chicago

PHOENIX
SAN FRANCISCO
LOS ANGELES
PORTLAND
SEATTLE
VANCOUVER
MONTREAL
BOSTON
ST. LOUIS
LONDON

Yes — I know NOW — but
YOU'RE THE INSURANCE
AGENT! How could I know
that being UNDERINSURED
is almost as bad as not
being insured at all?

Firemen's Insurance Company of Newark, N. J.
The Girard Fire & Marine Insurance Company
National-Ben Franklin Fire Insurance Company
The Concordia Fire Insurance Co. of Milwaukee
Milwaukee Mechanics' Insurance Company
Pittsburgh Underwriters • Keystone Underwriters
The Metropolitan Casualty Insurance Co. of N. Y.
Commercial Casualty Insurance Company

FIRE • MARINE • CASUALTY • SURETY

Loyalty Group
INSURANCE

Western Department
844 Rush St.
Chicago, Illinois

Canadian Dept.
461 Bay St.
Toronto, Canada

HOME OFFICE
10 PARK PLACE
NEWARK, NEW JERSEY

Southwestern Dept.
912 Commerce St.
Dallas, Texas

Pacific Department
220 Bush St.
San Francisco, Calif.

AS SEEN FROM CHICAGO

E. B. VICKERY LEAVES HOSPITAL

E. B. Vickery of Chicago, secretary of the America Fore companies in charge of the Chicago and Cook county department, has returned to his home after having been in St. Luke's hospital for several days.

THOMAS J. FLYNN'S ANNIVERSARY

Thomas J. Flynn of Chicago, manager of the brokerage department of Corroon & Reynolds office in Chicago, rounded out his 10th anniversary with the firm Feb. 1. He has had an interesting career in insurance. He is a hard worker and has an all-round training. He started as an office boy when the Niagara Fire and Caledonian conducted a joint western department in Chicago under the management of I. S. Blackwelder. The Caledonian withdrew from the office and the Niagara Fire continued.

FIELD'S CHICAGO OFFICE MOVED

The Chicago editorial and business offices of the "Insurance Field" have been moved from 953 Insurance Exchange to 1325, 166 West Jackson boulevard. The Insurance Field Company formerly occupied space in the Insurance Exchange with the Ben P. Branham Company, which was recently succeeded by the Branham Printing Company.

The "Insurance Broker" and "Insurance Post" will share the quarters with the "Insurance Field."

WELL ORGANIZED CONFERENCES

The North America, in its western department, has completed a series of field conferences, for which unusual preparations were made and which were exceptionally well organized. Each group of field men was in the Chicago office for an entire week. In the mornings

the participants were moved from one department to another to hear lectures, mostly illustrated, by department heads. In the afternoon the field men were free to do as they pleased in the office and they were expected to go back to get further instruction on points covered in the morning's lectures about which they were uncertain.

Numerous exhibits had been prepared by the various departments. These were extremely ingenious. The most pretentious ones were those that were prepared by Warren Baker, chief engineer, and Ben Little in the marine department.

The Baker exhibit consisted of a model factory building, equipped with sprinklers, fire alarm system and showing all the operations and the hazards to which the plant is exposed even to the extent of an airplane about to crash into the sprinkler tank. The Little exhibit was designed to stimulate the use of surveys in the arrangement of personal insurance. It included an actual stamp album, some jewels, furs, a model home, automobile, etc.

One of the busiest men during the month was H. R. Thiemeyer, manager brokerage and service department, who has a great facility for elucidating forms and coverages. Two executives of Marsh & McLennan happened to be in the office one day and overheard Mr. Thiemeyer rattling off his talk. They were impressed and several groups of Marsh & McLennan brokers and employees have been sent over to sit at Mr. Thiemeyer's feet.

MILLERS NAT'L'S LETTER CONTEST

David Martin of the S. E. Boyd Agency, Pomona, Cal., won first prize in a collection letter contest conducted by Millers National. Second prize went to Miss H. Chabot of Joseph E. Cohn

& Co., Los Angeles, and third to C. A. Bodwell of Bodwell & Henderson, Parsons, Kan. Prizes totaled \$50. Irving Williams, editor, "Rough Notes," was assisted by his associates, A. J. Wohlgenuth, vice-president, Ralph E. Morrow, business manager, and Harry Harlan, audit department, in selecting the prize-winning letters.

According to Mr. Wohlgenuth, the judges considered those letters best which put on a good deal of pressure without causing a loss of good will. Points in common with those letters selected were that they offered good reasons why the account had to be paid now, and they stated specifically how long the account was overdue. This contest was conducted primarily as a means of trading collection ideas among agents according to E. E. Vogt, advertising manager.

Testimonial Dinner to Be Held for J. A. Lloyd

A testimonial dinner will be given in Columbus, O., Feb. 17 for J. A. Lloyd, former secretary Ohio Association of Insurance Agents, recently appointed Ohio insurance superintendent. The dinner will be sponsored by the association.

The committee in charge of arrangements is composed of past presidents: H. L. Meek, Columbus; F. P. O'Connor, Lima; H. A. Martin, Toledo; Austin McElroy, Columbus; President L. C. Jones, Youngstown, and B. D. Lecklider, Ohio Casualty; I. L. Morris, Buckeye Union Casualty; L. G. Purmort, Central Manufacturers; Don McVay, Ohio Farmers; Claris Adams, Ohio State Life; W. C. Safford, Western & Southern; J. Boyd Davis, Ralph W. Hoyer and W. H. G. Kegg, Lumbermen's, Mansfield.

Fire, life and casualty agents, field men and company executives will be invited to attend. A number from out of the state are expected to be present.

P. R. Gingham, acting association sec-

NEW YORK

INSURANCE SOCIETY MEETING

The Insurance Society of New York will hold its annual meeting at the Hotel Pennsylvania, Feb. 24. H. H. Reed, general manager New York City Branch, Insurance Company of North America, is president. A feature will be the showing of a series of motion pictures by representatives of the American, Pan-American and United Airlines. Air travel is growing increasingly popular among insurance men.

POTTER HEADS LOSS EXECUTIVES

F. E. Potter, secretary and general adjuster of Home of New York, was elected president of the Eastern Loss Executives Conference at the annual meeting. The vice-president is J. G. Loose, Great American, and secretary, Hugh Johnson, Royal-Liverpool.

Then Louisiana state agent, Mr. Potter was called to the head office of Home as assistant general adjuster six years ago. In 1934 he was made secretary and general adjuster.

INSURANCE EXECUTIVES MEETING

The Insurance Executives Association will hold its annual meeting at the Waldorf-Astoria in New York City Feb. 10. The trustees will meet the day before. It is expected that a successor will be appointed to Director F. S. Dauwalter of the Business Development Office who has become assistant manager of the National Board.

retary, will be toastmaster. Among the speakers will be C. H. Jones, Jackson, new director Ohio department of commerce, of which the insurance division is a part.

Stein, Cowles Vice-Presidents

Frederick W. Stein and Henry W. Cowles, both of whom formerly have been secretaries, have now been elected vice-presidents of Glens Falls and the affiliated Commerce.

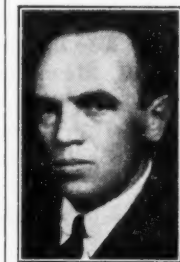
Mr. Cowles was first employed by Glens Falls in 1913, and in 1927 became an assistant secretary. He was advanced to secretary in 1929.

Mr. Stein went to Glens Falls from Commerce when that company became a member of the Glens Falls group in 1923. He has served as a secretary for the last 10 years.

C. W. Jarboe, underwriter of the Brooklyn office of America Fore, was presented by his associates with a traveling bag, on his 40th year with the organization.

Reports F. I. A. Hurricane Losses at \$3,000,000

Losses of the Factory Association of Hartford in the New England hurricane of Sept. 21, 1938,



J. K. HOOKER

will amount to about \$3,000,000, Manager H. P. Smith reported at the annual dinner meeting in New York. The number of losses was 535. About 70 percent have already been adjusted and paid.

The dinner was attended by about 200 officials and those who were in the city for the meeting of the Council of Rating Bureau Managers & Secretaries. Premiums for 1938 were somewhat less than 1937. Disregarding the hurricane losses, the experience was satisfactory. J. K. Hooker, vice president of Automobile, was reelected as president as were all other officers.

TRINITY UNIVERSAL INSURANCE COMPANY

Financial Statement

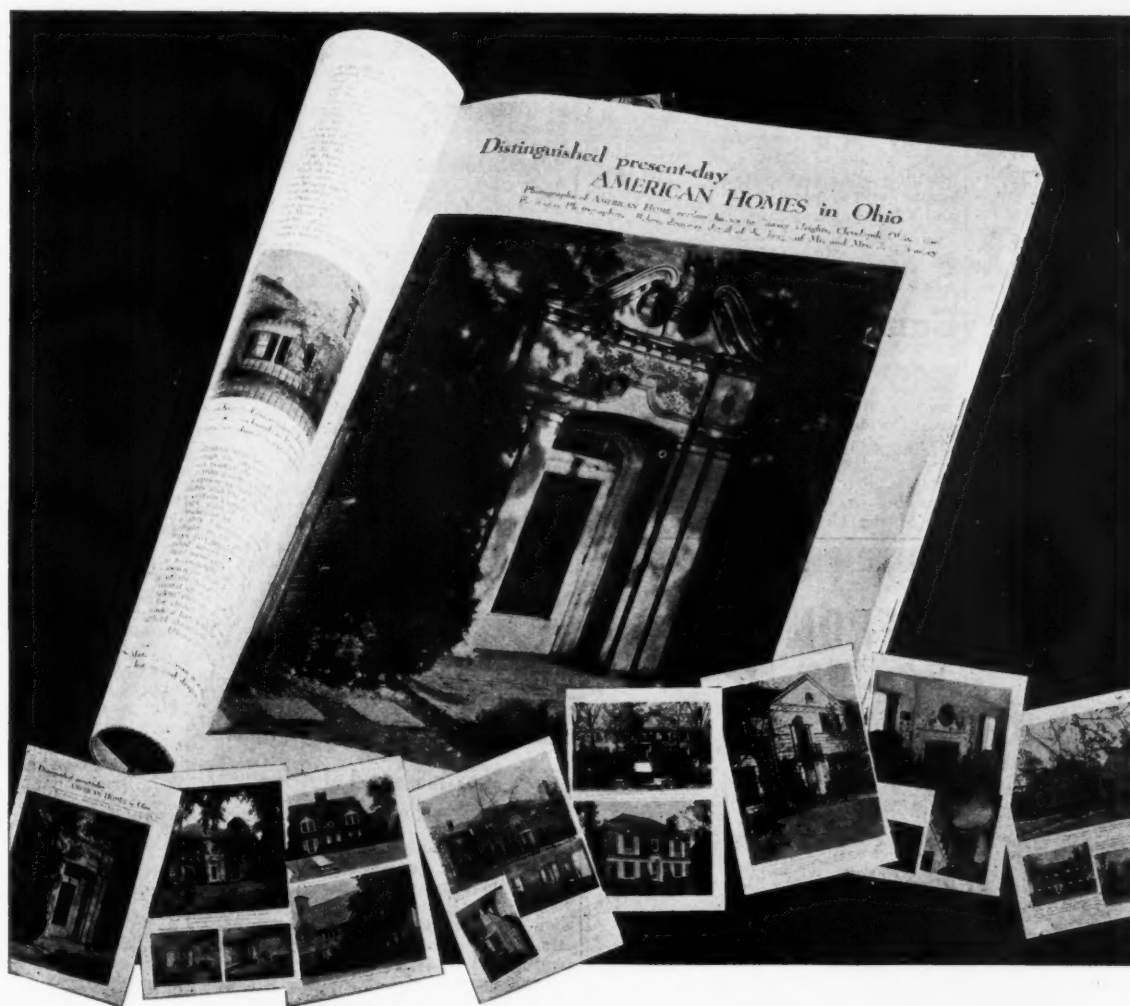
December 31, 1938

ASSETS		LIABILITIES	
Cash and U. S. Government Bonds..\$	978,672.21	Reserve for Losses and Claims....\$	221,533.64
State, County and Municipal Bonds..	1,744,017.39	Special Reserve for Liability Claims	923,493.03
All Other Bonds.....	66,278.40	Reserve for Unearned Premiums ..	2,136,722.57
Stocks	1,730,402.20	Reserve for Taxes	142,213.60
First Mortgage Loans on Real Estate	447,541.49	Reserve for Other Liabilities	39,202.17
Collateral Loans	126,670.00	Commissions Payable	190,309.84
Real Estate	148,547.46	All Other Liabilities.....	4,186.11
Premiums in Course of Collection..	651,446.78	Capital	\$1,000,000.00
Premium Notes Receivable.....	82,562.48	Surplus	1,345,405.02
Accrued Interest	25,716.65		
All Other Admitted Assets.....	1,210.92	Surplus to Policyholders.....	2,345,405.02
Total Admitted Assets.....	\$6,003,065.98	Total	\$6,003,065.98

Bonds at Amortized Value, Stocks at Market Values, December 31, 1938

On the basis of December 31, 1938 market quotations for all bonds and stocks owned, the total admitted assets and surplus would be increased by \$100,058.00.

	Premium Income	Unearned Premiums	Admitted Assets	Surplus to Policyholders
1934	\$2,373,351.12	\$1,261,092.33	\$3,913,197.36	\$1,860,986.27.....1934
1935	2,708,001.24	1,380,269.00	4,169,217.36	1,937,163.07.....1935
1936	3,192,737.32	1,655,287.48	5,003,111.11	2,264,970.96.....1936
1937	3,894,832.56	2,042,798.20	5,272,657.83	1,930,718.64.....1937
1938	4,105,053.15	2,136,722.57	6,003,065.98	2,345,405.02.....1938



What's the difference between *Your Town* and Cleveland?

In Cleveland, Ohio, there are hundreds of home owners who read the magazines in which appear our national advertising — advertising, by the way, that tells the home owner that the best way to buy complete insurance is from you, the local agent or broker. And these home owners live in fine well-kept houses — homes that make attractive prospects for many lines of insurance. From a sales angle Cleveland is no different from your town. For every month our advertising reaches over 1,500,000 homes throughout the country — in cities

and towns, large and small. And like Cleveland, a good substantial percentage of these homes — including those in your territory — are good risks, good prospects, good business.



DO YOU WANT MORE BUSINESS?

Our monthly house organ "The Employers' Pioneer" contains interesting articles that show how to cash in on our national advertising, in addition to many other helpful articles on claim cases, collections, and the development of practically all types of insurance except life. Write today to the Publicity Department for a free copy.

THE EMPLOYERS' GROUP
110 MILK STREET, BOSTON, MASSACHUSETTS

NEWS OF FIELD MEN

K. G. Taylor Heads W. Va. Field Men

K. G. Taylor, Aetna Fire, Charleston, was elected president of the West Virginia Fire Underwriters Association at the annual meeting in Washington, D. C. V. K. Smith, Norwich Union, Wheeling, is vice president, and A. S. Whiteley, Wheeling, is secretary.

New members of the executive committee are: J. E. Tetlow Jr., Firemans Fund, Charleston, chairman; B. J. Weisgerber, North British & Mercantile, Wheeling; Herbert Fahlgren, Camden, Parkersburg, and B. E. Wilson, Phoenix of London, Wheeling. There was a large attendance of company executives from New York, Hartford, Chicago and Philadelphia attended. The visitors included:

S. F. Nininger, vice-president Queen; J. S. King, secretary Continental; Clem E. Wheeler, assistant manager Hartford Fire, Chicago; Ashby E. Hill, secretary Home; R. R. Wilde, secretary Corroon & Reynolds; H. B. Collamore, vice-president National; W. C. Browne, secretary North British & Mercantile; Gordon Kyle, secretary Aetna; R. E. Eblen, secretary Phoenix of Hartford; T. D. Olmsted, secretary Automobile; Scott Coleman, secretary Great American; S. M. Amerman,

secretary Pacific; W. M. Houston, secretary Northern Assurance; D. P. Malone, secretary North America; T. B. Sellers, manager West Virginia Inspection Bureau, Columbus, O.; E. V. King, state superintendent West Virginia Inspection Bureau, Charleston; A. M. Todd, superintendent West Virginia Inspection Bureau, Wheeling.

It was agreed revised tornado rates, applicable throughout eastern territory, be made to apply to certain classes of risks in West Virginia.

S. A. Nininger, Queen, presided at the gathering of the supervisory association, which preceded that of the field men's organization, and followed the Blue Goose joint session of the West Virginia and Chesapeake ponds.

S. W. Banta Retires; Campbell Named

George W. Campbell, Jr. has been appointed Georgia state agent for New York Underwriters. He succeeds S. W. Banta, a veteran in the field, who is retiring. Mr. Banta has been with New York Underwriters since 1909. He has been in poor health for some time. Mr. Campbell was formerly southern manager of the Underwriters Salvage Com-

pany and prior to that was a Georgia field man.

Dame Switches in Illinois Field to Crum & Forster

Donald K. Dame has resigned as Illinois special agent for American of Newark to go with Crum & Forster in the same field. He will work under the jurisdiction of Special Agent R. H. Gregg, who is president of the Illinois Fire Underwriters Association. They will supervise the territory that has been handled by Mr. Gregg as well as that of Charles King of Decatur, who resigned recently to reenter the life insurance business.

Mr. Dame has been connected with American for 14 years and for the past six years has been in the Illinois field.

Agents Advisory Committee Holds Meeting Series

DENVER—The agents advisory committee of the Mountain Field Club, of which J. C. Burt, Fire Association, is chairman, has completed a successful series of advisory meetings in a half dozen New Mexico towns. An important feature of the tour was presentation at each meeting of a skit in which a well-informed local agent sold a manufacturer on stock company insurance by comparing the business of insurance to that of the manufacturer.

The demonstration was preceded by educational talks by the following advisory committee members: Samuel McAllister, Daly agency; Philip Kingsley, state agent Fireman's Fund; R. B. Daniels, American; J. C. Burt, Fire Association; G. B. Side, U. S. F. & G.; Bruce Bridgeford, North America, and James Harris, London & Lancashire. A similar meeting will be held soon at Cheyenne.

H. P. North Feted Before He Leaves For Coast

NASHVILLE—The Tennessee Fire Underwriters Association and Tennessee State Fire Prevention Association held a special meeting June 30 the occasion being known as H. P. North Day. Mr. North who has been state agent for Springfield F. & M. about 15 years, has accepted a position with the Business Development Office on the Pacific coast. Mr. and Mrs. North will leave about Feb. 15 for San Francisco.

E. A. Bethshares, North America, extended to Mr. North the best wishes and congratulations on behalf of his associates in Tennessee and presented him with a shot-gun. Mrs. North was presented with a handsome bouquet of American Beauty roses.

H. W. Peterson President

The Anthracite Field Club held a meeting at Scranton, Pa., with B. F. Harding of Lucas, McDonald & Harding, in charge of entertainment. H. W. Peterson of Wilkes-Barre, Springfield F. & M., was elected president; S. B. Illinworth, Wilkes-Barre, Aetna Fire, vice-president; R. C. Lomas, Wilkes-Barre, Fire Companies Adjustment Bureau, secretary, and Mr. Harding, treasurer.

London's Field Meeting

"Greater Field Efficiency" is the theme of the annual eastern winter round-up of field men representing the London Assurance group in New York City this week. A series of forums was led by the following officers:

E. W. Nourse, U. S. manager; C. D.

Veteran Beloit Man Dies

A. W. Blanchard, 79, member of the Blanchard & Colby local agency, Beloit, Wis., and one of the oldest underwriters in that city with more than 30 years in the business, died. He was a member of the Insurance Underwriters Association of Beloit.

In New Position

Glen W. Eustis, who has been appointed Minnesota state agent for the Corroon & Reynolds group, is at home in the Minnesota field. He traveled that state and Wisconsin for the Minneapolis F. & M. Before that he was with the Fire Underwriters Inspection Bureau and then with the R. M. Neeley Company general agency at St. Paul. He is well known in the field.



G. W. EUSTIS

Shaffe, assistant manager and vice-president; Walter Meiss, executive general agent in charge of production; R. G. Ganner, general agent; K. J. Bidwell, inland marine manager, and R. W. Bugli, advertising manager. In addition three field men—Frank Walls of Massachusetts, F. J. Finley of New Jersey and T. J. Beagan of western Pennsylvania—led separate panel discussions dealing with specific field activities.

Harold Watson's Change

John N. Brushingham will be succeeded as state agent of the Globe & Rutgers in Wisconsin and Minnesota by H. C. Watson at present assistant manager of the Milwaukee branch office of the Travelers casualty department. Mr. Watson is a native of Indianapolis, and a graduate of Notre Dame. He was employed by the Travelers soon after graduation and after a year in its Indianapolis branch office moved to Milwaukee where he has since lived. Mr. Brushingham goes to the head office in New York as assistant secretary of the Globe & Rutgers and American Home.

Navajo Puddle Is Formed

ALBUQUERQUE—The New Mexico puddle of the Colorado Blue Goose, known as Navajo puddle, was formed. Attendance, including new members, was 28. Officers are: R. G. Wigely, branch manager Fire Companies Adjustment Bureau, Albuquerque, big toad; Richard Lawrence, Fireman's Fund, pollywog; W. R. Zaner, independent adjuster, croaker, and George Biel, insurance commissioner, bouncer.

Joint Meeting in Newark

NEWARK—The New Jersey Special Agents Association will meet with the Insurance Square Club of New Jersey here Feb. 6, following a musical entertainment. G. H. Buckingham, president of the special agents, will preside.

Unger with Fidelity & Guaranty

The Fidelity & Guaranty Fire announces the appointment of W. H. Unger, Jr., as special agent for eastern Ohio. He will make his headquarters at 80 Hickox building, Cleveland. Mr. Unger has been associated with the Na-

WANTED

Young adjuster with some experience to assist development branch office in Midwestern city. Answer with experience record, reference, salary requirements, etc., to J-49, THE NATIONAL UNDERWRITER

TAKE AN EXAMPLE FROM JANUS



At this Boundary Time of the Year

It's the start of a new year. The time to look backward, like Janus, the old Roman god of boundaries, and check over what you did in 1938. And, like Janus, also look ahead and think seriously about what you want to accomplish before another year is over. . . . While you're busy analyzing and planning, you'll be glad to know about a booklet, "Planned Progress," that has helped many other agents push ahead to new goals. It may be able to help you do more of the things you want to do in 1939. . . . You know that the only way you can plan a worth while insurance program for one of your customers is to make an insurance survey for him—to check his needs and then recommend a definite plan of action. That's just what a Plan of Progress does for you. It applies the survey method to your agency, your routine, market, competition and opportunities, and works out a definite plan of action that will increase your premium income. You are given, free of charge, the expert advice and outside viewpoint of a group of people interested, not this time in analyzing insurance coverages, but in helping you with your sales and advertising problems. . . . If you are a leading agent in your community—or have made up your mind to be one—write for a copy of the booklet "Planned Progress".



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tional Inspection Company as resident inspector for northern Ohio for 10 years and prior to that had several years of home office underwriting training. He is a son of W. H. Unger of Minneapolis, state agent Royal and Newark Fire.

Ohio Meet in Cleveland

The Ohio Fire Underwriters Association will hold its February meeting in Cleveland Feb. 7. The Ohio Pond Blue Goose will meet on the previous evening.

Syracuse Club Gathers

Nearly 80 members of the Syracuse (New York) Field Club saw motion pictures of the Syracuse University football team in action. William Bolter, assistant football coach of the university gave a running description of the pictures.

Many Syracuse agents were guests.

FIELD NOTES

The Missouri State Fire Prevention Association will inspect **Neosho** next Wednesday.

The Ohio State Fire Prevention Association will make an inspection of **Warren** Thursday of next week. R. E. Vernor and J. Burr Taylor of the Western Actuarial Bureau will make talks.

G. R. Kessberger, veteran keeper of the Michigan Blue Goose, became a grandfather when a daughter was born to his daughter, Mrs. W. B. Davis.

Three new members were admitted at the meeting of the **Smoke & Cinder Club** in Pittsburgh.

Marshall W. Parker, state agent for the Fireman's Fund in Denver is in the hospital recovering from a major operation.

The **Iowa Fire Prevention Association** will inspect Iowa City Feb. 23-24. Richard E. Vernor, Western Actuarial Bureau, Chicago, will speak.

Milwaukee Patrol Board Elects Directorate

MILWAUKEE—The recently incorporated Fire Underwriters Patrol Board has adopted by-laws and elected directors. The directors are Ralph Martin, Richard Brandenburg, J. G. Grundle, H. S. Smith and L. C. Hilgemann.

It was voted to operate a fire patrol for the coming year and to fix maximum expenses to be incurred. Assessments based on 1938 premium will be levied on all companies writing fire in Milwaukee. The Milwaukee Board which operated the patrol for the past 54 years, agreed to loan the present patrol equipment and facilities to the new board.

The directors of the new board elected the following officers: L. C. Hilgemann, president; Ralph Martin, vice-president; J. G. Grundle, secretary-treasurer; and H. S. Smith, patrol committee chairman.

Arthur Bachman, a special agent attached to the Newark office of the Home of New York, was tendered a bachelor dinner by his associates and friends in Newark, N. J.

Complete Program for Ohio Farmers Big Rally



F. H. HAWLEY

Program arrangements have been completed for the annual meeting of the Ohio Farmers Agents Association in LeRoy, O., Feb. 7, the annual banquet that evening and the annual meeting of Ohio Farmers Insurance Company, Feb. 8.

The address of welcome will be given the agents by F. H. Hawley, president of Ohio Farmers. The response will be by Paul W. Kridler of Fremont, president of the agents' association. Alfred M. Best, president Alfred M. Best Company, will give an address and J. C. Hiestand, secretary of the company, will give a review of the 1938 underwriting results. J. E. Fry of Hillsboro, Ind., will give a discussion of automobile insurance in the rural communities while C. E. Curtis, assistant general counsel, will make a talk on protection of mortgage interests. There will be a round table discussion and then an address by N. R. Howard, editor Cleveland "News."

The banquet speaker will be H. T. Harrison, insurance lawyer of Little Rock, whose subject is "Gullibles Adventures in Blunderland."

At the meeting of the company the next morning the ivy trophy award will be made by C. D. McVay, vice-president of the company. The annual report will be read by Mr. Hiestand and short talks will be made by directors, general agents, etc.

Taggart Raises the Ax

M. H. Taggart, the new Pennsylvania commissioner, announces that he will pursue an economy program and will reduce the departmental staff by from 37 to 55 positions.

Glens Falls Recalls Founder on Its 90th Anniversary

The annual meeting of Glens Falls was featured by the unveiling of an oil painting of the Rev. Russell Mack Little, its founder, commemorating the 90th anniversary of the company. The presentation of the portrait, the work of the famous artist, Douglas Crockwell, was made by E. W. West, chairman. He briefly told of the original charter and printed literature of the company in the older days, and pointed to that portion of it which was a guide to the early personnel. "Train up a company in the way it should go and when it is old it will not depart from it."

West and Carter Knew Founder

The first board of directors contained such Christian names as Peletiah and Bethuel. Among other historical facts mentioned was that, out of the present 860 employees, Mr. West and R. C. Carter, the secretary, are the only two still active who worked under the leadership of Mr. Little.

Drop of 4 Percent at San Francisco Last Six Months

SAN FRANCISCO—Another drop of about 4 percent is expected in fire premiums on San Francisco business for the last six months of 1938 according to a brief survey of the reports submitted by the companies to the Underwriters Fire Patrol. The total for the last six months of last year has been estimated at \$1,572,000. The leading companies and amounts for the first half of 1938 and the last half are as follows:

	First Half	Last Half
Aetna	\$61,040	\$61,833
Pearl	82,746	78,813
Firemens, Newark	78,647	77,322
Home	88,468	61,579
Continental	78,947	56,269
Firemans Fund	69,275	55,081
Pacific National	55,272	50,217
Hartford	60,175	46,187
North America	43,836	45,493
L. & L. & G.	49,981	44,635
Royal	52,252	36,915
U. S. Fire	63,271	34,746
Travelers	30,426	29,562
Security	33,281	29,422

The Tennessee Fire Prevention Association inspected Athens.

Tradition . . .

Developed in the fine traditions typical of New England . . . our greatest heritage is the constancy of our agents. Their loyalty through many years has become traditional.

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INSURANCE COMPANY

MERCHANTS (1851)
INSURANCE CO. OF PROVIDENCE

BYRON S. WATSON
PRESIDENT

FIRE - AUTOMOBILE - INLAND MARINE

THE INSURANCE BUILDING
PROVIDENCE, R. I.

COOLING - GRUMME - MUMFORD CO., INC.

General Agents for Indiana:—

American Equitable Assurance Company
New York Fire Insurance Company
Manhattan Underwriters Agency
Standard Insurance Company of New York

Indiana Insurance Company
Associated Indemnity Corporation
American Fidelity & Casualty Company
Switzerland General Insurance Company, Ltd.

All lines of Fire, Automobile, Casualty and Inland Marine Insurance
Excellent facilities for coverages on LONG HAUL TRUCKS
Liberal Commissions

AGENTS WANTED IN INDIANA

BROKER'S ACCOUNTS SOLICITED

CONSOLIDATED BLDG., INDIANAPOLIS

Chicago Plan Cause of Bitterness

(CONTINUED FROM PAGE 3)

20 and 25 percent. The insurance department estimates that there are only about 200 class 2 agents who write their own policies. Leaders in the board state that this is a liberal estimate, as it probably includes those who write their own policies only on Sundays or holidays, when the service is not available in the class 1 office. Those advocating the new plan feel that the class 2 agents have no real grievance. Many of the class 2 agents are prepared to write their own policies to take advantage of the 5 percent. Some of the sideliners, it is said, are considering grouping together, employing a clerk jointly and writing their own policies.

Some believe it would be unfortunate if the plan should produce a situation whereunder the class 2 agents write their own policies. The present arrangement, they say, is economical and insures that policies are properly written.

On paper, quite a case can be made for the theory that the class 1 agents, under the new plan, are giving up nothing and that the only one that is making a sacrifice is the man who goes out and gets it. Class 1 agents now get 10 percent over riding (again disregarding excess commissions). Under the proposed new setup, a class 1 agency would get 12½ percent overriding if it gets more than 50 percent of its business from brokers. But the fact is that this apparent extra of 2½ percent is a real decrease when measured against the actual commissions that many, if not most, of the class 1 agents are receiving when the excess commissions are considered, advocates of the plan assert.

Class 1 agents, who have been getting excess commissions, have adjusted all their operations to that scale. It is understood that the committee of the Chicago Board that had the matter in hand and Insurance Director Palmer came to the conclusion that if excess commissions were abolished and the overriding be held to 10 percent for class 1 supervising agents, many of these offices could not survive. Moreover, the committee and Mr. Palmer, it is understood, came to the conclusion that the expense allowance of a company branch office, competing with a class 1 agent, is more than 10 percent.

Expense of Class 1 Agent

It is estimated that the expense to the class 1 agent of maintaining an office and providing all the services is 8 percent. It is said that even the most efficiently conducted offices have an expense of 7½ percent.

That means that with a 12½ percent overriding, the net to the class 1 agent is only 4½ percent. He could not exist on 10 percent, his apologists state.

The committee understands that there will be a problem of preventing those class 1 agents who do not get 50 percent of their business from brokers from engaging in subterfuges to make it appear that they are entitled to 12½ percent instead of 10 percent overriding. In St. Louis the same sort of distinction exists and the practice is widespread there of agents routing their direct business through dummy brokerage accounts to make it appear that the direct business is really supervised business. However, the committee decided that this is not an insoluble problem.

Prefer Direct Business

Some class 1 agents say that they would be far happier if most of their business were direct and they received the 10 per cent overriding rather than to have it come from brokers at 12½ percent overriding. Some features of the new plan were taken from the system that exists in New York City. There an agency that gets less than 80 percent of its business from brokers

has a 10 percent overriding, whereas an agency that gets more than 80 percent from brokers is paid 12½ percent.

Following the annual meeting of the Chicago Board the other day, the voting members had an informal discussion which was in the nature of a question and answer session on the new plan, lasting about 45 minutes. R. M. Cunningham, Marsh & McLennan, the new Chicago Board president, presided.

Special Meeting Is Planned

A special meeting will be held within a few weeks to vote on the proposed changes. Before that meeting can be held, the by-laws of the Chicago Board have to be gone through with a fine-tooth comb so that they will comport with the new setup. Various cross-references will have to be made, etc. This will involve a great deal of laborious carpentry work and the task falls upon Jay S. Glidden, manager of the board. Mr. Glidden may go into hiding some place for a few days and devote himself exclusively to this job.

It now seems probable that this meeting may be called for the week of Feb. 20. Ten days' notice has to be given. March 1 has been suggested as the effective date for the new plan.

Praise Committee's Work

Those attending the Chicago Board meeting the other day say it is quite apparent that the committee had made a profound study of the entire problem and that each element in the proposed plan represented the considered judgment of the committee and that the committee is prepared to justify every recommendation that it made.

Mr. Glidden, at the meeting, said that the plan will not be workable unless it is approved by an overwhelming majority of the membership. If it does not enjoy such common approbation, then some other plan will have to be devised, Mr. Glidden declared.

Alternative Is Suggested

One of the prominent members, at that session, advocated continuation of the present brokerage and agency rules and commission scales, with the entire emphasis being directed at eliminating excess allowances with the policing to be done jointly by the Chicago Board and the Illinois insurance department. Some support is said to be developing for such an arrangement.

Mr. Glidden touched upon requirements in the plan that within one year companies must reduce their class 1 representation to three. The quota is now four. He said that there are some 200 class 1 agency connections today that are open, under the four agency system. So long as the companies collectively are short of their permissible limits to that extent, he pointed out that there will be active bidding for agency representation, with inducements of one kind and another being offered. The decision to cut the number of class 1 representatives to three represented an attempt, he said, to strike a more even balance.

Some of the company managers are disturbed by the threat both on the part of class 2 and brokerage members to short circuit the class 1 agency offices and place their business exclusively with company branches. It may be said that most of the companies that do not now operate counters in Chicago are not eager to take such a step. It would mean the destruction of class 1 agents and the establishment of a counter would be expensive.

The slate of officers, as previously announced, headed by R. M. Cunningham, vice-president Marsh & McLennan, was elected. Mr. Hayden was presented with a grandfather clock, the spokesman being Allan I. Wolff, Associated Agencies. A. F. Powrie, western manager Fire Association, presented some traveling luggage to Fred J. Sauter, the retiring treasurer. Mr. Sauter served some years ago as president of the board and then after having enjoyed the highest honor, consented to come back and be treasurer for two years. W. W. Hamilton of the Chicago Board staff read a memorial for

the late John J. Coughlin, famous first ward alderman, who was a class 1 agent. Chief Frank McAuliffe of the fire insurance patrol read a memorial for the late Frank Doherty, who until his retirement several months before his death, had been assistant chief of the patrol.

The Insurance Brokers Association of Illinois arranged for two of its members who are also class 3 members of the Chicago Board, to seek to gain admittance to the annual meeting of the Chicago Board the other day. They were requested to withdraw from the meeting whereupon President C. A. Berger of the brokers' association issued this statement, which was publicized in the daily newspapers:

"Two representatives of the Insurance Brokers Association of Illinois today appeared at the annual meeting of the Chicago Board, of which they are members, and were told that brokers have no voice in the management of the Chicago Board and were requested to withdraw from the meeting.

"It is clearly indicated that regardless of the fact that the brokers contribute in membership fees far in excess of what is collected from the class 1 agents, they nevertheless are not permitted to have any vote in proceedings of the board. It is up to the public to judge for itself the fairness of this attitude on the part of a small clique which apparently rules the Chicago Board."

The brokers who created the incident are C. A. Berger, president of the broker's association, and G. H. Anderson.

It is stated that the by-laws provide that the annual meeting is for voting members only, voting members being class 1 agents.

In his address at the meeting of the Chicago Board, C. M. Hayden, vice-president Glens Falls and retiring president of the board, told the members that the much-discussed and much-attacked commission and brokerage revision plan represents the best thought of 10 members of the board and that, if the members do not like it, they should either suggest something better or admit that present conditions are ideal. He reviewed the present situation of Chicago agencies, showing that a tremendous drop in income has caused most of the present trouble and suggested several radical innovations to reduce expenses and get more business. Among the items he suggested were "floating" policies covering anywhere in the county and long term policies concurrent with amortized mortgages.

After maintaining that arbitrary statements that the cost of business is too high are unfounded, Mr. Hayden declared that the service given for the expense incurred must be considered, citing the boiler insurance business as an extreme example of a line where a heavy percentage of the premium goes to inspection and service expense. He pointed out that the principal difficulty agents in Chicago and elsewhere are facing is a lack of money. In the peak year, Chicago Board offices wrote premiums of \$29,000,000. In 1939, they wrote \$19,000,000. This means, he declared, \$3,000,000 less in ordinary commissions and \$1,000,000 less in overriding commissions for supervising offices. Much of this drop has been absorbed by other lines, until the casualty business is more important to many board members than the fire premiums, but the fact remains, Mr. Hayden maintained, that fire insurance still follows exactly the same mechanical routine, with the same expenses, that it did 50 years ago. Every other business worth mentioning, he declared, has reduced its production costs through simplification, largely brought about through competition, and the salvation of the fire insurance business would appear to lie in the same direction.

As one suggestion, Mr. Hayden pointed out that every apartment building fire reveals that many occupants carry no insurance on their household goods. Probably less than 10 percent of the tenants of ordinary apartments are insured. The answer of agents has been that it costs too much to sell and

Smrha Stirs Up Examination Issue

(CONTINUED FROM PAGE 3)

ways residents of New York," Mr. Smrha adds.

"It occurs to me that there is no satisfactory solution to the eternal question of whether or not New York and other eastern states shall voluntarily submit to convention examinations. No one doubts your sincerity in your insisting you are charged with the obligation of complying with the statutes of your own state, which obligation cannot be modified by any action of a commissioner's convention. Since the laws of other states, however, also contemplate or require that examinations of foreign insurance companies be made, there is an obligation on the commissioners of other states which they cannot lightly shirk.

Tells His Purpose

"I am passing this observation on to you with the thought in mind that if we could divert our minds from the question, Shall or shall not convention examinations be held in the state of New York and other eastern states? and apply ourselves diligently to the problem of working out a method by which convention examinations may be held that will be efficient and at a cost commensurate with the service rendered, we should be able to arrive at some satisfactory solution."

Only four things need be done, Mr. Smrha said. These are: Adopt a uniform method of procedure in conducting an examination, which would indicate where to begin, where to end and what is necessary to check; establish and adopt prescribed qualifications for examiners, stringent enough to meet the New York standard, on the theory that commissioners have the power to prescribe such qualifications asked to operate outside their own state; establish a schedule of fees based on requirements of the various states, application of reciprocal laws, and the class or type of work to which an examiner is assigned, and clothe the examiner in charge with disciplinary powers, placing him in a position to demand that the examining force apply themselves with diligence and require that they be governed by such rules and regulations as may be prescribed for the conduct of examining personnel.

write insurance for this class. Mr. Hayden accordingly suggested a policy limited to \$1,000 to \$2,500 which would cover anywhere in Cook County in any dwelling or apartment building, except those with mercantile occupancies or special hazards. Thus the expense of following a customer from one building to another would be avoided and it would make no difference in the loss ratio, since no company would object to paying a loss should the assured move from one apartment building to a similar one.

At one time, Mr. Hayden continued, mortgages were invariably written for five years or less and insurance policies were written for the same term. Now mortgages may be written for a long as 25 years, but it is necessary to issue five or even 25 policies to cover them. The obvious answer is some system of renewal certificate on policies covering properties of this type.

MIDWESTERN NOTES

John H. Hinchliffe, 60, for 25 years in the insurance business in Lisbon, O., where he also served as mayor, died at Salem, O., where he has been living since his retirement two years ago.

Robert L. Burns, of Harris, Burns & Co. Agency, becomes president **Wichita, Kan.**, real estate board. **H. M. Sparling**, Wheeler, Kelly & Hagny, was named president apartment owners' division of the board.

Miss Emily Casford is the new secretary of the Insurance Women of Wichita, replacing Mrs. Gillespie, who resigned last month to go with the J. C. Hoyt & Co. agency.

Seek Understanding with Manufacturers of Air Conditioning

NEW YORK—Steps were taken at the annual meeting of the Council of Rating Managers & Secretaries to bring about a closer relationship between insurance and manufacturers of air conditioning equipment. A special committee was appointed to serve such a purpose. Many fire insurance problems are involved in these installations and the increasing popularity of air conditioning makes the question a major one to insurance.

Among the other subjects discussed at the session were the old iron safe clause; curtailed watchman service in properties because of the wages and hours law; the new use and occupancy form; extended coverage endorsement.

Ralph Sweetland, executive manager New England Fire Insurance Rating Association, served as chairman of the meeting. The sessions were held in the meeting room of the Eastern Underwriters Association.

Rating bodies represented and their representatives were:

Arkansas Fire Prevention Bureau, T.

Dog — The Friend of Man



THE DOBERMAN PINSCHER

Wherever good dogs are discussed, the Doberman Pinscher comes in for his share of favorable comment. A comparatively recent breed as dogs go, the Doberman Pinscher has been developed in Germany within the last 75 years. He has a splendid carriage and an air of dignity which adds to his grace. As a police dog, he has achieved unusual success when used for that purpose.

The Doberman Pinscher is decidedly a "one-man" dog. His faithfulness and loyalty to the "hand that feeds him" has made him justly popular with owners the world over. His glossy coat, trim straight legs and slim body, his keen bright eyes, mark him as one of the handsomest of the smooth dogs.

Another Friend of Man
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A Friendly Company
SECURITY FIRE INSURANCE COMPANY

DAVENPORT, IOWA
Protection Since 1883

(Reduced reprint from a series of calendar-blotters sent monthly to our agents and prospective agents.)

F. Baker, manager; Ass'n of Fire Underwriters of Baltimore City, C. W. Wheelock, secretary-manager; Underwriters Association of District of Columbia, E. R. Hardy, manager, H. E. C. Rainey, assistant manager; Eastern Underwriters Inspection Bureau, W. D. Milne, assistant manager; Factory Association of Hartford, H. P. Smith, manager; Interstate Underwriters Board, J. R. Dumont, manager; Louisiana Rating & Fire Prevention Bureau, W. S. Bizzell, manager; Middle Department Rating Association, Louis Wiederhold, Jr., executive manager; W. K. Estep, manager Allegheny division; C. H. Hill, manager middle division; J. S. Trump, manager Philadelphia division; Mississippi State Rating Bureau, W. W. Sampson, manager; New England Fire Inspection Rating Association, Ralph Sweetland, executive manager; B. M. Hermes, manager; S. L. Burgher, manager.

Other Representatives

Also: New Hampshire Board of Underwriters, A. C. Hudson, secretary; Schedule Rating Office of New Jersey, Leon A. Watson, expert; New York Board of Fire Underwriters, W. B. White, superintendent; New York Fire Insurance Rating Organization, W. J. Ward, general manager; Lawrence Daw, manager Syracuse division; W. H. Geyer, manager suburban division; A. J. Bucksar, suburban division; H. M. Hess, manager city division; F. J. Donovan, assistant manager city division; H. D. Rice, manager Buffalo division; Ohio Inspection Bureau, T. B. Sellers, manager; South-Eastern Underwriters Association, L. T. Wheeler, secretary-manager; Virginia Insurance Rating Bureau, E. W. Spencer, manager; Western Actuarial Bureau, R. M. Beckwith, assistant manager; West Virginia Fire Underwriters Association, A. S. Whiteley, secretary; West Virginia Inspection Bureau, E. V. King, state superintendent; Insurance Executives' Association, J. D. Erskine, secretary.

Brokers Body Denies Report

SAN FRANCISCO—H. M. Meyer, secretary of the Insurance Brokers Exchange, took exception to a report published in an eastern paper that the organization was sponsoring one or more bills in the California legislature planned to create a state rate filing bureau for fire insurance. He said the senate bill was sponsored by a group of mutual fire companies which previously had planned to introduce a measure similar to the Washington state rate making law.

New Texas Commissioner Is Little Known in Insurance

Truett Smith of Tahoka, the new life insurance commissioner and chairman of the board of insurance commissioners in Texas, is 34 years of age. He attended Texas Technological College at Lubbock. Tahoka is about 30 miles south of Lubbock. It is a very small place. Mr. Smith has not been well known to politicians or to insurance people generally in Texas. He has been something of a factor in west Texas where governor W. Lee O'Daniel had strong support in the election.

Mr. Smith was elected for a four year term as county and district clerk of Lynn county in 1928 and in 1932 was elected county attorney. In October, 1933, Governor Allred appointed Mr. Smith district attorney in the 106th judicial district and he has been elected twice.

Appel & Bond Agents Feted

A group of producers from the Appel & Bond general agency, Baltimore, leading Travelers producers last year, were guests at the home office. They were addressed by President L. E. Zacher and Vice-presidents J. L. Howard and H. H. Armstrong, and were guests at a banquet.

Name Committees For Big Roundup in Hollywood, Fla.



O. MITCHELL STALLINGS

The general committee in charge of arrangements for the mid-year meeting in Hollywood, Fla., of the National Association of Insurance Agents the week of April 2 is made up of Roland Hardy, Pompano, chairman; W. B. Buchanan, Miami, and Fred Willis, Hollywood. Chairman of the registration committee is Miss Gertrude E. Terry, Miami; entertainment committee, Briggs Branning, Miami, chairman; reception, O. Mitchell Stallings, Tampa; monitor committee, W. D. Chandler, Hollywood; automobile, Amos Hall, Hollywood; information, J. D. Bryan, Fort Lauderdale; golf, Marvin Adams, Miami; ladies, Mrs. George C. Stembler, Miami; publicity, Fred E. Willis, Hollywood.

Officers of the Florida Insurance Agents' Association, the host, include Mitchell Stallings, president; Hunter Brown, Pensacola, first vice-president; Frank D. Moor, Tallahassee, 2nd vice-president; A. C. Eifler, Tampa, secretary; L. P. McCord, Jacksonville, national councillor.

Complete Schedule of Hail Adjusters Parleys in U. S.

The hail writing companies have completed the schedule of adjusters' conferences to be held in the United States in the next few months, preceding the producing season. Conferences will also be held in Canada, but the schedule has not been determined.

Representatives of companies interested in writing hail insurance will conduct a conference in Dallas, Feb. 28-March 1.

The Western Hail & Adjustment Association will sponsor conferences in Wichita, March 3-4; Omaha, March 14-15, and Minneapolis, March 27-28.

At Great Falls, Mont., March 31-April 1 will be held a session under the auspices of the Pacific Coast Hail Conference.

Van Dusen and Stevens Advanced

Elmer Van Dusen, formerly assistant secretary of the State of Pennsylvania, has been appointed secretary in charge of the eastern department. Joseph C. Stevens, head of the automobile department, has been elected an assistant secretary.

Edward J. Perrin, Jr., vice-president of the Automobile and Standard Fire of the Aetna Life and affiliated group, celebrated the 25th anniversary of his connection with the organization Feb. 1. He started at the New York office in 1914 and was called to the head office in 1920. Three years later he was named assistant secretary, further advancements coming in rapid succession.



Through Your GENERAL AGENT

***—"Exceptional"—a fitting adjective to employ in describing the service that the General Agent can render. He is an insurance specialist in his territory, covers every step of it thoroughly and is familiar with local conditions. He is NOT your competitor, but instead, is always ready to help YOU as a Local Agent.

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Coates & Raines, Inc.
Little Rock

KANSAS

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Kansas Underwriters
Wichita

KENTUCKY

Bradshaw & Weil Gen.
Agcy. Co.
Incorporated
Louisville

OKLAHOMA

R. W. Drake & Company
Complete Insurance Facilities
Oklahoma City

TENNESSEE

J. Virgil Richards Gen. Agency
Formerly
Hall & Benedict General Agency
Established 1914
Nashville Trust Bldg.
Nashville, Tenn.

* Know the General Agent in your locality. Write the office nearest you or the American Association of Insurance General Agents, Gas & Electric Bldg., Denver, Colorado.

EDITORIAL COMMENT

Insurance Relations with Trade Groups

A FUNCTION of fire and casualty insurance organizations and even of individual company managements that is becoming increasingly important is the maintenance of relations with trade associations in the various fields. We are inclined to believe that this kind of diplomacy is more vital in the casualty-surety field than in fire, because in most enterprises the premium outlay for casualty coverages exceeds that for fire and the assured has more contact with his casualty insurer.

An increasing number of trade associations is giving attention to the insurance problems of its members. The executive secretaries are becoming familiar with insurance facts and frequently there is an active insurance committee. At times, especially in the earlier stages, these trade associations may take an unreasonable attitude and make inordinate demands upon insurance. They may assert theories that are manifestly unsound to those familiar with the insurance technique and with a knowledge of the past and they may embark upon some enterprise that experienced insurance men are sure is doomed to failure. They are very likely to believe that for years they have been hoodwinked by insurance operators and that at last they are getting at the truth.

The master diplomatists of the insurance business will refrain from expressing impatience with these association spokesmen and from getting into a collision with them, without first making an effort to get on a friendly conference basis. Probably the mistake has occasionally been made of seeking to justify the insurance course that has been pursued

by the presentation of complicated rating formulae, weighed factors, etc., all of which is valid enough but which confounds the layman and is likely to cause him to feel that this is all hocus pocus invented for the sole purpose of preventing the assured from understanding the truth. As a matter of fact a trade association secretary voiced just that theory the other day in talking to a representative of THE NATIONAL UNDERWRITER on this subject.

A related approach that is likely to cause a line to be drawn is that of setting out to justify the insurance position without making a genuine effort to appreciate the problem of the group and seeking to apprehend whether there is a legitimate grievance and to determine whether some modification of the insurance procedure is not in order. The fact must be faced that these trade association movements exist and will increase. Is it not wise to turn this interest on the part of these large elements of assured to the advantage of the insurance business through the route of cordial conference?

We believe that leaders in organization ranks are fully aware of the significance of the increase in trade association interest in insurance matters and are proceeding in statesmanlike fashion to make friends of these groups. It is well for others in the insurance ranks to appreciate the trend and lend a hand to promote good feeling wherever possible.

Conceivably the work of insurance organizations will be nearly as much concerned with maintaining relations with trade associations as with protecting the business legislatively.

Hartford and Its Insurance College

HARTFORD is one of the great cities of the country in many ways. As we all know, it is the seat of some of our greatest insurance companies. Insurance is one of the very important activities of the city. Thousands of people are employed in insurance offices. In its beautiful setting and commanding environment HARTFORD is one of the charming cities of the United States.

We are all interested in its plan of establishing a school of insurance to be known as the HARTFORD COLLEGE OF IN-

SURANCE. It will be a regular institution and both bachelor's and master's degrees will be given. It is expected that it will be opened next fall, probably on a night school basis and at first restricted to insurance employes with college degrees. The matter was laid before the Connecticut legislature by DEAN BARRETT of the HARTFORD COLLEGE OF LAW. This college of insurance in the seat of the great insurance activity and with a background of excellent traditions should become an institution of real moment.

Commendable Style of Presenting Figures

THE management of CONTINENTAL ASSURANCE and CONTINENTAL CASUALTY of CHICAGO gets a hand for the style in

which it publishes its financial statement and underwriting and investment exhibit to stockholders. Side by side are printed

the figures at Dec. 31, 1938, and Dec. 31, 1937. This gives at a glance the changes that have taken place in the year. Particularly interesting is the comparison of the various investment classifications, showing clearly the financial policies that have been pursued during the year.

This is the sort of comparison that those who are interested will dig out for themselves if the company does not do so itself. It is a somewhat laborious task, as it involves searching through reference

books for the previous year's statement, but the fascination of annual statements is the disclosure of the work that has been done and the results that have been obtained during the year. That can be arrived at only through making a comparison. The CONTINENTAL companies of CHICAGO put forth a statement that satisfies at a glance practically all of the questions that occur to anyone with ordinary interest in the matter without making a special analysis.

PERSONAL SIDE OF THE BUSINESS

Emil Bienvenue, chief examiner for the Louisiana department, is reported to be seriously ill in a New Orleans hospital.

Ivan Escott, vice-president of Home of New York, and Mrs. Escott are returning this week from a West Indies cruise.

Thomas McGee, head of the prominent McGee agency, Kansas City, celebrated his 80th birthday the other day. He is in good health and is active in the business.

Briggs Hoffmann of the Lawton-Byrne-Bruner Insurance Agency of St. Louis has been at Fort Worth, Tex., visiting Elliott Roosevelt. A special broadcast of one hour's duration was arranged for Sunday over the Texas state network operated by Mr. Roosevelt, consisting of 23 stations. It was dedicated to the cause of the fight against infantile paralysis. In the broadcast, tribute was paid to the St. Louis Insurance Board for introducing the use of radio in connection with this event.

Otto Gaedke, president of Gaedke-Miller Agency, Milwaukee, has been elected president of the Lighthouse Squadron and Troop A, Veterans corps, a former Wisconsin National Guard unit intimately associated with Milwaukee's history.

Ben F. Fronk, local agent at Manitowoc, Wis., was honored by the junior chamber of commerce there at a dinner meeting. He was presented with a distinguished service watch charm emblem in recognition of public service. Mr. Fronk is serving his second term as president of the Manitowoc Insurance Board.

R. W. Snyder, Louisville local agent, is to be married shortly to Miss Deborah Dick of Montreal. Mr. Snyder is a son of R. W. Snyder, Sr., head of the Snyder Brothers General Agency, Louisville.

D. D. McLarry, retired Texas general agent Home of New York, accompanied by Mrs. McLarry sailed from New Orleans for a Caribbean cruise to be away about a month.

J. H. Griffen, president Northwestern Fire & Marine, is having his annual vacation in Florida.

Laurence B. Starr, Meadville, Pa., local agent, was elected president of the chamber of commerce there. Mr. Starr

is a director of the Pennsylvania Association of Insurance Agents and a director in the Excelsior of Syracuse.

Ward Coble, Bend, Ore., president Oregon Insurance Agents Association, will take a long sojourn in California, to recuperate from injuries he sustained in a recent automobile accident.

DEATHS

George W. Jalonick, Sr., who played such an important part in the insurance history of Texas and who died the other day at the age of 86, always delighted in relating that in 1890 he was rejected for life insurance by one of the large eastern companies. He was one of a group of 10 Dallas men who applied for life insurance at the same time. Five of them were rejected. The company decided that Mr. Jalonick had a weak heart, but he lived to see every one of the five who was accepted for insurance, die.

After early experience in the cotton business at Galveston, he entered insurance as an agent at Abilene, Tex., in 1881. In 1887 he moved to Dallas to become connected with Trezevant & Cochran. Four years later he is credited with having organized the Texas Survey & Rating Bureau and hence was known as the father of the Texas fire insurance rating system.

With W. A. Childress of Houston, Mr. Jalonick organized Southwestern Life. He was active in that organization about two years. In 1906 he and his brother, the late I. Jalonick, organized Austin Fire and Commonwealth Fire. Each brother was president of one of these companies. In 1912 they purchased International Fire of Fort Worth and subsequently merged the three into Republic Fire and are responsible for making that company a prominent contender. Mr. Jalonick retired from active participation in the Republic several years ago.

Mr. Jalonick served as chairman of Harvester Life and Gulf of Dallas and at his death was a director in the latter company.

Mrs. Celeste Judice Steckler of Iberia Parish, La., mother of Henry A. Steckler of New Orleans, well known general agent and prominent in the American Association of Insurance General Agents, died Jan. 26 at her plantation home. She was born in Lafayette Parish. The Judice family are descendants from Jean Jacques and Nieblas Judice, brothers, who arrived in New Orleans



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CINCINNATI OFFICE—420 E. Fourth St. Tel. Parkway 2140. Abner Thorp, Jr., L. H. Martin and C. C. Crocker, Vice-Presidents.

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from Alsace-Lorraine before 1730. She was widowed in 1898 and since then has managed the affairs of the plantation, educated her children and only in recent years had relinquished active management of the place.

The committee of the Eastern Underwriters Association that is preparing a memorial on **Frank C. Hatfield**, ranking vice-president of Phoenix of Hartford, who died at the age of 56, consists of W. R. McCain, president Aetna Fire; C. F. Shallcross, U. S. manager North British & Mercantile, and W. H. Koop, president Great American.

Funeral services were held Friday afternoon at the Asylum Hill Congregational church in Hartford. He is survived by Mrs. Hatfield, a son, Frank C. Hatfield, Jr., who is special agent for Aetna Fire in Arkansas, and a brother, Charles F. Hatfield of New York.

Mr. Hatfield had been in the insurance business since 1903, starting in Dallas. Previously for a short time he was with Sanborn Map Company. He was born in New York.

Mrs. Mae Alice MacEnaney died at her home in Chicago Sunday. She was the widow of **L. S. MacEnaney** who will be remembered by the older men in the business. Mr. MacEnaney traveled in his day for Traders and Agricultural. He was general agent at Chicago for Dixie Fire and then became managing underwriter for the Columbian National Fire of Indianapolis. There are two daughters surviving—Mrs. W. C. Johnson of Chicago and Mrs. Ullrich Browder of South Bend, Ind. The funeral services were held at Manteno, Ill.

Captain **H. F. Wenning**, aged 76, a member of Ferger Bros. & Huffaker Agency, Chattanooga, Tenn., since 1900 and secretary Chattanooga Insurance Exchange for 30 years, died following a week's illness.

Following an illness of several weeks, **Irving J. Straus**, 57, head Julius Straus & Sons, Richmond, Va., local agency, died. He was a former president of the Richmond Insurance Exchange. W. C. Saunders, Jr., formerly Virginia state agent for the Fireman's Fund, recently acquired an interest in the agency.

Mr. Straus entered the insurance business with his father, who founded the Julius Straus & Sons agency 71 years ago. Upon the death of the elder Straus, Irving J. and his brother, Milton J. Straus, operated the agency. The brother died in 1933. Irving J. Straus was a former president of the Insurance Exchange of Richmond.

W. P. Kenney, president of Great Northern Railroad, who died the other day, was the father of **W. C. Kenney**, prominent local agent of St. Paul, president and treasurer of the Kenney Company of that city.

Robert McHatton, 84, who retired about 10 years ago as Indiana state agent New York Underwriters, died after an illness of more than a year. He was identified with the New York Underwriters for 43 years. He was active in association work and the Indiana Blue Goose. Since his wife's death 20 years ago he had lived in Indianapolis with a son, Everson McHatton, also in the insurance business.

Robert W. Newell, 59, head of Cunningham & Newell Co., general agency of Little Rock, died at a hospital of bronchial pneumonia following an operation. He was in the insurance business in Arkansas since 1896, when he started with the John E. Coates firm of Little Rock. He was head of the insurance department of the Commercial Bank & Trust Company, Little Rock, then served in the same capacity with Lasker-Morris Bank & Trust Company and later of W. B. Worthen Company, bankers, there. He went in business for

himself as a partner of the late Charles Cunningham in 1933.

Thomas M. Schooler, 75, secretary of the Farmers Mutual Fire of Des Moines for 25 years, died of a heart attack.

John F. Hanlon, 55, Milford, N. H., local agent for 25 years, died.

Frank T. Woodward, 76, Woodward & Hodgkins agency in Northampton, Mass., died.

Mrs. J. T. Schulkamp, 77, mother of **Arthur W. Schulkamp** of Fish & Schulkamp, Madison, Wis., died.

Claude Ladue, 66, Larimore, N. D., died.

E. Ben Lyons, Detroit local agent, died.

Robert Lanphier, president of the Sangamon Meter Works, Springfield, Ill., who died the other day, was a brother of John C. Lanphier of the Lanphier & Co. agency of Springfield.

Thomas S. Knight, 79, Hopkinsville, Ky., local agent, died following an operation.

William E. Seefeld, 45, Cleveland local agent, 14 years, died after an illness of several weeks.

Clarence V. Watkins, Pittsburgh, Pa., local agent, died.

Mrs. Minnie W. Mahoney, wife of **George W. Mahoney**, secretary-treasurer of the Hadley-Mahoney Company, Indianapolis, died.

Indiana Mutuals Are Holding Convention

INDIANAPOLIS—The annual meeting of the Mutual Insurance Company's Union of Indiana is being held Thursday and Friday of this week. A. J. Hunter of Columbus is president. Ernest Warrum of Greenfield is vice-president and Glenna Watkins of Indianapolis, secretary and treasurer. Harry P. Cooper, secretary National Association of Mutual Insurance Companies, is one of the speakers. Dr. M. O. Ross of Butler University is on the program. John Schlegel of Indianapolis has as his subject, "Standard Dairy and Milk Requirements in Relation to Insurance." A. Neuenschwander of Grabbill will speak on "Chicken Hatcheries, Brooder House and Chicks." D. W. Biddle of Remington on "Hybrid Seed Corn," Carl Russell of Mt. Vernon on "Country Stores and Halls." Dr. V. N. Valgren, Farm Credit Administration, Washington, D. C., has as his subject "Inter-relations between farm credit organizations and farm mutual companies."

Friday morning will be given over to farm safety. T. E. Henton, associate in agricultural engineering, Purdue University, talks on "Modern farm equipment including electric fences and power machinery and hazards incurred from its use." Clem Smith, state fire marshal, has as his subject "Elimination of Rural Fire Hazards." Judge Stiver, director state police department, will talk on "Highway Safety" and Dr. J. L. Axby of Indianapolis on "Characteristics of lightning stroke as distinguished from sleeping sickness in farm animals."

Morgan Succession Is Broken

J. P. Morgan has resigned as a director of Aetna Fire. He had served about 40 years. Although inactive, he had continued as a director in recent years for sentimental reasons because there had been a Morgan on the Aetna Fire board for 120 years.

World's Fair Trip for 15 High Men

A ten-day all expense trip to the San Francisco world's fair will be awarded by Central Manufacturers Mutual of Van Wert, O., to the 15 top agents in a production contest. The awards will be based upon increase in volume for a specified period during 1939 over the parallel period of last year.

Agents of Central Manufacturers Mutual are offered a "pre-tested" direct mail advertising campaign in 1939. Complete campaign consists of four mailings sent to prospect at intervals of one month between mailings. Campaign plans are described in an attractive booklet which has been issued to agents.

LEGISLATION

New Hampshire—New bills call for an increase in salary of the deputy commissioner of insurance from \$1,800 to \$3,000; give insurance commissioner direct authority over automobile finance companies; place the state's 2 percent premium tax entirely on fire and casualty companies' gross direct premiums, with no allowance for reinsurance.

Georgia—A new bill creates a state board, with the insurance commissioner as chairman, for agents' examinations and issuance and revocation of licenses. House Bill 198 killed in committee. It provided a levy of 5 percent of gross premiums tax on all insurance companies that have not invested 75 percent of the net earnings of business done in Georgia each year.

Nebraska—The Miller resolution asking for an investigation of the insurance department was referred to a legislative committee to find out if the necessary expenditure of money was warranted.

A bill abolishing the department of insurance and consolidating it with the state banking department, from which it was divorced six years ago, has been introduced by Chairman Brady of the appropriations committee.

A bill provides that in assessing fire insurance companies the amount of the tax shall be arrived at by deducting from the gross premiums all premiums paid for reinsurance and returned on cancelled policies.

Texas—Senator Martin has introduced an agents' licensing bill which provides for written examinations for all new local recording agents and for solicitors. The bill would levy an examination fee of \$25 for agents in towns of more than 5,000 population and \$15 for appointees in towns of less than 5,000.

House No. 169 would amend articles 4878 and 4879 of the insurance code to give the board of insurance commissioners the authority to determine the rate of commission to be paid on fire insurance as a part of the insurance rate. This bill is expected to meet with vigorous opposition by the local agents in view of the fact that there now is no control of commissions paid. No. 167 by Heflin would require local recording agents to be paid full commission as fixed by the state insurance department.

House No. 95 by Keith would increase supervision and regulation to be exercised over reciprocal and inter-insurance exchanges.

Kreinberg in Cleveland Practice

Herman G. Kreinberg, formerly assistant attorney-general of Ohio, assigned to the insurance department, has now returned to the private practice of law and intends to specialize in insurance matters. He is located in the Standard building, Cleveland. Before being assigned as counsel for the insurance department he was corporation counsel in the office of the secretary of state for four years.

General Qualification in Ohio

COLUMBUS.—Announcement was made by Superintendent Lloyd that the department will require all fire, casualty, and surety agents and solicitors to file new qualification statements prior to renewal of licenses this year. It has been 15 years since there was a general qualification of agents in Ohio. This action in no way changes the status of a renewal applicant with respect to examination, present licensees being not required to submit to examination.

H. L. Barren, branch manager Phoenix of Hartford at Milwaukee, was elected to chairman board of trustees Grand Avenue Congregational Church of Milwaukee.

Assistant Manager



W. A. SEELY

W. A. Seely becomes assistant western manager of Crum & Forster.

Doyle Gives Instructions on New Premium Tax Setup

NEW YORK—In response to numerous inquiries concerning tax returns, compliance with which this year is complicated in some states by the United States Supreme Court decision in the Connecticut General California case, J. H. Doyle, general counsel of the National Board, has sent a memorandum to members.

By reason of the California decision rendered Jan. 31, 1938, he pointed out, there will be many changes in the premium tax formulas in the states which heretofore have taxed on the net, retained basis.

"It is important," he states, "that tax returns and payments be delayed so far as possible in order that necessary legislation may be enacted to care for the situation."

In Massachusetts the authorities desire complete returns to be made with reports of reinsurance, both assumed and ceded, but provisional payment will be accepted on the basis of net direct premiums.

To Revise Missouri Tax Law

JEFFERSON CITY, MO.—A series of bills prepared by the statute revision commission for presentation to the legislature will remove doubt as to legality of certain Missouri insurance companies paying taxes at the rate of 2 percent on premiums written instead of the general property tax rate on certain assets. Insurance companies, except life, have been paying their taxes at the 2 percent rate. The premium tax law is said to have saved the companies about \$100,000 annually.

Ripon, Wis., Agency in 77th Year

The Steele Agency, Ripon, Wis., founded by the late Sumner Steele in 1862, and said to be the oldest local agency in Wisconsin, is observing its 77th anniversary. The agency has been operated by three generations of Steeles, the present owner, George, succeeding his father, Frank, in 1924.

MIDWESTERN NOTES

Clarence E. Baker and James M. Camp were added to the directorate of the Iowa Home Owners Mutual.

Dwyer-McMicken Co., 7139 West Greenfield avenue, Milwaukee, has been organized by Sidney Dwyer and James McMicken.

Horton Randall, formerly connected with the Otisville State Bank, has resigned to open an insurance agency in Vassar, Mich.

A. R. Davies, local agent at Kenosha, Wis., has joined A. B. McCall and W. W. Hammond in organizing the **Davies-McCall Agency**.

CONTINENTAL COMPANIES

General Offices: Chicago, Illinois

Continental Casualty Company

Financial Statement—December 31, 1938

ASSETS

Cash	\$ 3,406,317.61
*United States Gov't Obligations.....	10,568,111.70
*Other Public Bonds.....	1,620,228.07
*Railroad Bonds	\$1,463,515.05
*Public Utility Bonds..	1,751,451.00
*Miscellaneous Bonds ..	3,643,925.33
Total	6,858,891.38
*Preferred and Guaranteed Stocks...	1,050,550.00
*Other Stocks	4,651,588.00
Mortgage Loans	435,596.86
Real Estate	1,024,082.25
Premiums in Course of Collection (Not over 90 days past due).....	3,887,917.06
Accrued Interest and Rents.....	157,222.06
Other Assets	392,112.91
Admitted Assets	\$34,052,617.90

LIABILITIES

Unearned Premium Reserve.....	\$ 9,112,384.16
Reserve for Claims.....	12,959,371.16
Miscellaneous Liabilities	2,225,900.02
General Contingency Reserve.....	1,800,000.00
Capital	\$1,750,000.00
Surplus	6,204,962.56
Capital and Surplus.....	7,954,962.56
Total	\$34,052,617.90
Net Premiums Written.....	\$21,039,172.50
Increase Over 1937.....	349,515.53

*Eligible bonds amortized. All other bonds and all stocks at Market Quotations as of December 31, 1938.

Continental Assurance Company

Financial Statement—December 31, 1938

ASSETS

Cash	\$ 1,319,786.75
*United States Gov't Obligations.....	5,141,165.00
*Other Public Bonds.....	890,088.12
*Railroad Bonds	\$2,063,832.39
*Public Utility Bonds..	4,731,810.88
*Miscellaneous Bonds ..	2,332,808.76
Total	9,128,452.03
*Preferred and Guaranteed Stocks....	1,065,800.00
*Other Stocks	None
Mortgage Loans	5,306,134.26
Policy Loans	4,179,208.98
Real Estate	1,937,895.87
Net Deferred and Uncollected Pre- miums	1,200,172.26
Accrued Interest and Rents.....	228,262.80
Other Assets	41,369.62
Admitted Assets	\$30,438,335.69

LIABILITIES

Statutory Policy Reserves.....	\$25,045,366.80
Death Claims Due and Unpaid.....	None
Pending Claim Reserve.....	1,033,897.08
Premiums Paid in Advance.....	264,795.43
Miscellaneous Liabilities	312,176.23
General Contingency Reserve.....	275,000.00
Capital	\$1,000,000.00
Surplus	2,507,100.15
Capital and Surplus.....	3,507,100.15

Total **\$30,438,335.69**

Insurance in Force ^{paid-for}_{basis} \$231,972,498.00
Increase Over 1937..... 6,429,509.00

*Eligible bonds amortized. All other bonds and all stocks at Market Quotations as of December 31, 1938.

DIRECTORS

H. A. BEHRENS, Chairman of the Board, Continental Casualty Co.; President, Continental Assurance Company

W. McCORMICK BLAIR
Blair, Bonner & Company

WILLARD N. BOYDEN
Vice President and Treasurer

ROLLIN M. CLARK
Comptroller

M. P. CORNELIUS
President, Continental
Casualty Company
Vice President, Continental
Assurance Company

*W. G. CURTIS
President,
National Casualty Company

*HARRY W. DINGMAN
Vice President and Medical
Director,
Continental Assurance Company

FRANK R. ELLIOTT
Vice President,
Harris Trust and Savings Bank

CHARLES F. GLORE
Glore, Forgan & Company

*R. W. HYMAN
Insurance

ARNOLD B. KELLER
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*F. D. LAYTON
President, National Fire Insurance
Company of Hartford

C. R. MESSINGER
Chairman, Oliver Farm Equipment
Company
President, Chain Belt Company

E. V. MITCHELL
General Counsel

*ROSS E. MOYER
Vice President and Actuary,
Continental Assurance Company

PURCELL L. SMITH
President, The Middle West
Corporation

R. DOUGLAS STUART
First Vice President,
The Quaker Oats Company

ROY TUCHBREITER
Vice President

*Continental Casualty Company only

*Continental Assurance Company only

The Continental Year Book discloses in greater detail the Companies' operations and financial structure. It will be furnished upon request.

Casualty Insurance

Fidelity and Surety Bonds

Life Insurance

The NATIONAL UNDERWRITER

February 2, 1939

CASUALTY AND SURETY SECTION

Page Seventeen

Safety Promotion Is Bringing Results in Rate Reductions

Constant Hammering Is Having Effect in Lessening Automobile Accidents

NEW YORK—Casualty men unhesitatingly attribute the improved automobile accident record which justified the substantial rate reduction for P. L. and P. D. in New Jersey, Pennsylvania and Ohio, to the safety campaigns waged by state, county and municipal authorities, in conjunction with efforts sponsored by chambers of commerce, automobile clubs, insurance carriers and other organizations. In Pennsylvania notably the fine work outlined by governing authorities and vigorously enforced, cut down the number of road accidents sustained in the past year, compared with those of the preceding 12 months, by almost 50 percent, though unfortunately loss payments were not reduced in anything like that degree.

Rate Reductions Predominate

Other states affected by current rate changes are Alabama, Arizona, Arkansas, California, Connecticut, Delaware, Florida, Georgia, Iowa, Kansas, Maine, Maryland, Michigan, Mississippi, Missouri, New Jersey, Rhode Island, Utah and Wyoming.

In private passenger rates, the average reduction was about 10 percent, but several territories showed large cuts. Commercial car rates in several territories were reduced as much as 20 percent and minimum premiums for storage garages and service stations were reduced about 15 percent in several instances. In the few territories where dealer and repair shop rates were revised, increases were made.

In all the new state rate sheets, the school bus rates were shown separately for the first time. They were approximately the same as those developed by the formulas in the public automobile section of the manual and are similarly based upon seating capacity. The bureau announced that this classification will be included in all new territorial rate sheets, and that the manual formula should be used until new rate sheets appear for the particular territory in question.

The largest private passenger rate reductions were enjoyed by Council Bluffs, Ia., and Kansas City, Kan., amounting to 33 percent. Council Bluffs premiums were reduced from \$30 to \$20 and Kansas City, Kan., rates from \$38 to \$27. Kansas City, Mo., and St. Louis suburban rates were reduced 25 percent, from \$48 to \$38 in each case.

Contrary to the general trend, commercial car rates were raised about 18 percent in Arizona and about 25 percent in Mississippi. Commercial rates were reduced generally in Michigan, with the exception of Detroit suburban territory. New territories were created

New Casualty Head of Executives Body

J. D. Dorsett, North Carolina, Is Named to Fill Sayer Vacancy

J. Dewey Dorsett, permanent chairman of the North Carolina industrial commission and well known counsel on industrial accidents and occupational diseases, has been appointed manager of the casualty department of the Association of Casualty & Surety Executives. He succeeds H. G. Sayer, who has gone with the New York state fund.

The casualty department is a clearing agency for information on active insurance questions. Automobile liability, compensation and occupational disease questions occupy much of the department's attention.

Sherman Served Temporarily

P. Tecumseh Sherman, consulting counsel of the association, has been directing the affairs of the casualty department until a permanent appointment was made.

Mr. Dorsett attended Guilford College and graduated from the University of North Carolina and its law school.

After receiving his law diploma, Mr. Dorsett became clerk of the superior court in Chatham county, N. C. Some years later he became cashier of Silver City Bank and eventually entered business as secretary and treasurer of a manufacturing corporation. In 1929, he was appointed a member of the North Carolina industrial commission. He became chairman of the commission in 1936 and on Jan. 1 of this year was designated permanent chairman. He was president of the International Association of Industrial Accident Boards & Commissions in 1934-35, and was a member of the federal department of labor silicosis committee in 1935.

New Orleans Agents Meet Knollys

Lord Knollys, managing director of Employers Liability, and Lady Knollys spent three days in New Orleans on their return to New York from the Coast. H. R. Egloff, manager of the Gulf department in New Orleans, gave a luncheon which was attended by all of the New Orleans agents of Employers' Liability.

Lord Knollys has become an enthusiastic photographer, taking with him an expensive miniature camera.

Lord and Lady Knollys went to Florida for about a week before returning to New York and Boston.

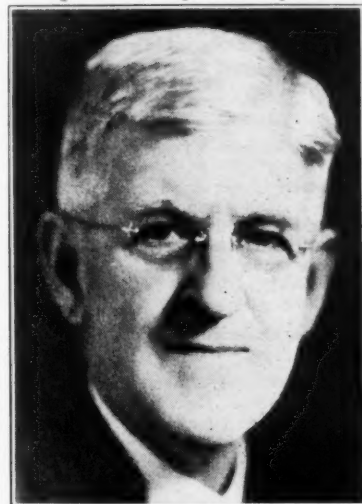
in Kansas for Wichita and Hutchinson.

In California the former W. X. and Y symbols have been telescoped into one classification. The rate decrease on pleasure cars ranges from 4 to 9½ percent.

Donaldson Elected As Head of Group

Directs Pennsylvania Indemnity and Running Mate, Moses Board Chairman

PHILADELPHIA—T. B. Donaldson, long recognized as one of the ablest insurance commissioners in the history of Pennsylvania, was elected president of the Pennsylvania Indemnity and its running mate, the Pennsylvania Indemnity Fire, both of this city, at the annual meeting. Announcement was made at the annual meetings of the branch managers and claims men held here.



THOMAS B. DONALDSON

Walter Moses, president of the two companies since their inception—Pennsylvania Indemnity in 1915 and the fire company in 1925—was elected board chairman.

Other officers elected were: J. A. Slemmons, first vice-president; J. H. R. Roberts, vice-president; W. M. Rice, treasurer; L. M. Cutter, secretary; R. E. Moore and R. S. Woodward, assistant treasurers; T. C. Hammel and H. G. Greer, assistant secretaries, and Francis Chapman, general counsel.

Directors elected were: Walter Moses, W. M. Rice, Francis Chapman, J. A. Slemmons, R. S. Woodward, T. B. Donaldson and J. H. R. Roberts.

Donaldson has been in the insurance business 27 years and an insurance company executive 15 years. Until early in December, when he resigned to become executive vice-president of the two Philadelphia companies, he was vice-president Eagle Fire, Newark.

He became connected with insurance in 1911 when he was appointed a special deputy insurance commissioner of Pennsylvania in charge of liquidation of bankrupt companies. In 1919 he was appointed insurance commissioner, serving almost two years. He was elected president of the National Association of Insurance Commissioners in 1921, and when he ended his official connection, he joined the Eagle Fire.

Lloyds Triumph in Illinois Quo Warranto Action

Judge Finds Suit Could Be Brought Only By Insurance Director

On the ground that the quo warranto action instituted by 17 surety companies against London Lloyds in Illinois is the type of proceeding that can be brought only by the attorney-general in behalf of the insurance director, Circuit Judge Hemphill at Springfield dismissed the complaint. This was a disappointment to the surety companies, who had been encouraged by several preliminary rulings of the court. It seems quite apparent that Judge Hemphill changed his mind.

Apparently he had been going on the theory that London Lloyds had not been licensed in Illinois prior to Dec. 31, 1937. That was the date when Lloyds got an Illinois license under the new Illinois insurance code, but Lloyds had been previously licensed in the state.

Challenge of Initial Right

In his final decision, Judge Hemphill recalled that he had made a previous ruling to the effect that an action designed to challenge the initial right of a company to commence the conduct of an insurance business in Illinois could be brought by a person other than the attorney-general, but later, the judge said, he was apprised that Lloyds had previously been licensed in Illinois and that the certificate of authority which the surety companies challenge was, in effect, a renewal of a previous recognized and existing authority.

Under the circumstances, the judge concluded that the attorney-general is given the exclusive right and authority to act. The controlling section is 201, which provides in substance that no order, judgment or decree enjoining, restraining or interfering with the prosecution of the business of any company shall be made or granted otherwise than upon the petition of the director, represented by the attorney-general.

Reviews Theory of Plaintiff

Judge Hemphill reviewed the arguments of the surety companies. They contend that the insurance code fixes the standards of the conduct of the insurance director and limits the powers granted to him and that any act of the director in disregard of those standards or in excess of those powers would be unauthorized and void. Surety companies do not seek to review the acts of the director but say that he acted utterly without authority in issuing the certificates because Lloyds had not complied with conditions precedent required by the code to be met by Lloyds and that the question involved is not whether the

(CONTINUED ON PAGE 33)

Field Man's Estimate of E. Jay Wohlgemuth's Work

By J. H. HIGGINS Dayton, O.

Some 37 years ago I called at the Cincinnati office of THE NATIONAL UNDERWRITER to place a three months subscription. I went into the office and talked with a young man, who explained that I could cancel anytime on a pro rata basis. The difference between pro rate and short rate as applied to property insurance was just about the extent of my insurance knowledge at that time. This black haired, keen and alert young chap who sold me a year's subscription and talked me out of \$2.50 in consequence was E. Jay Wohlgemuth. At that time this \$2.50 meant more to me than in later years. At this first meeting he was 26 years of age.

When the word reached me that early in January he had passed into the shadows I could but go back many years,

indemnity, strong, solvent companies and he certainly felt that insurance publishers and editors had certain definite responsibilities. By some he was considered austere, unfriendly and unsympathetic.

Some years ago at a time of an insurance convention in Louisville he originated the idea of doing something for his patron saint, Young E. Allison, Sr., who was head of the "Insurance Field." He got together the insurance newspaper men who had been associated with Mr. Allison and purchased a complete set of works of Mr. Allison's favorite author. E. Jay was selected to present this gift. His heart was so full of emotion that he faltered and finally had to give up as his voice choked. He called another man who had been under the

J. H. Higgins of Dayton, O., has retired from business. He was one of the early field men of The National Underwriter and came in close contact with Edward J. Wohlgemuth, the president of the publishing company, who died the latter part of 1938. Mr. Higgins was a remarkable man in many ways and traveled through a good part of the country in serving The National Underwriter. In a way it can be said that he was a pioneer in the special work he was doing in that he interpreted the policies of his publication and laid the foundation for remarkable growth. In his tribute to Mr. Wohlgemuth he writes from close observation and in sympathetic understanding.

years that are gone forever but not forgotten. He lives in my memory just as vividly and delightfully as when I came in contact with him in the organization.

From the date of my first subscription to the present I have read every word that has appeared in THE NATIONAL UNDERWRITER including its special numbers. The cost of this subscription was the best investment I ever made. It paid dividends that are rich in knowledge, experience and satisfaction. After all these are the returns that are worth while.

My next meeting with this unusual and unanalyzable man at times was sometime later when I applied for a position and secured work as a traveling man. It was certainly a laborious task but I continued for many years. During this time I was closely brought in contact with Mr. Wohlgemuth because I was sent into the field to get business and I began to know him intimately.

Difficult to Make Analysis

It is difficult for me to visualize clearly one of his characteristics. I soon discovered that he had a very clean mind, that his personal and business life was above reproach. He had a business technique, most extraordinary and all his own. There were many insurance publications at the time he came on the scene. Doubtless there will be others to follow. Some have fallen by the wayside, some have been merged and some were taken over under Mr. Wohlgemuth's direction. He had an ambition to be a business builder and, therefore, he "reinsured" some publications. He never tried to crush a competitor. He paid what the property was worth when he took on an outside publication.

Not a Back Slapper

E. Jay was not a glad hander. He was no back slapper nor was he what we termed a hail fellow, well met. He didn't try to ingratiate himself with those with whom he contacted, the latest obscene stories. His conversation was always businesslike and his mind was riveted on what he was doing. His sole ambition was to build a great publishing house closely allied and made a part of the greatest business that in my opinion is the real foundation that supports our whole economic structure, the business of insurance.

Mr. Wohlgemuth believed in sound

Allison regime, Cyrus King Drew of San Francisco, now publisher of the "Western Underwriter," to come to his rescue. After attending this convention I found that during the years before I had misunderstood E. Jay Wohlgemuth, because then he revealed himself as warmhearted, kindly and sympathetic and filled with sentiment.

Restless, Unsatisfied Disposition

The secret of his success may have been his restless, never satisfied disposition. To some it may seem a strange state of mind. I have often thought that it may be the real secret of progress because when an individual, organization or political party becomes satisfied, progress stops.

After he completed his college course, following his entrance into the business when he had it going in good shape so that he would take a leave of absence he came back, so to speak, to his desk and then began his great period of development and constructive work. He took complete charge of the business department of a business that now reaches from coast to coast. His presence was the tonic needed for all to drive ahead. Events started to transpire. He had an unusual combination because he was equally at home as a salesman, an executive and writer.

Mystified by the Moves

At times all of us who were associated with him were mystified by some of his moves. I never believed that E. Jay wanted to be surrounded by "yes" men.

The quickest way to provoke an argument was to agree with all he said and did. He never permitted himself to believe that his course was finished and that there was no further work to do. He knew the difference between character and reputation and between knowledge and information. He never resented being called a dreamer or being visionary. His theory was "No dreamers, no human progress." It is true that he was a dreamer, not the usual mine run type but the kind that had ability and the faculty to make dreams come true. He had the energy, skill and vision to build and direct an unsurpassed organization of its kind.

He and his partner of 40 years, the editorial manager, were about the smoothest pulling, two-man team with which I ever came in contact. Here

were two men operating a publishing business, country-wide in scope. Mr. Wohlgemuth made his headquarters in Cincinnati and the editorial headquarters were in Chicago. They were many miles apart. These men created a machine that worked so smoothly and the mechanism was so perfect that long distance telephone calls were almost unknown. The best seller could be written about this 40 years of remarkable partnership. Neither man criticized the other harshly, at least not that I ever heard of. I do not suppose that it occurred to these young fellows that they were really doing anything that was very important. I doubt then whether they ever appreciated the foundations that they were laying and the future that lay before them.

If a story of modern insurance journalism is ever written it will read and sound very much as the biography of these two partners. All through his life Mr. Wohlgemuth's accomplishments and record show a character of a most substantial and praiseworthy type.

I recall the last time I called on him at his office. I could note the change taking place. With his passing goes much of the glory and satisfaction that comes from the feeling that I may have had a small part in this enterprise, which was very young and unstable when first we all were together in those old days and the going was pretty hard.

Aetna Life Premiums Only 1.2% Below 1937 High

Premium income of the Aetna Life companies in 1938 was \$151,840,568. This is a decrease of 1.2 percent from 1937, which was the highest year in history. Premiums were divided Aetna Life, \$104,108,829; Aetna Casualty, \$33,652,283; Automobile, \$12,128,632; Standard Fire, \$1,959,824. Assets of Aetna Life were \$621,319,457, an increase of \$44,047,126, while surplus increased \$2,060,368 to \$20,386,975. Contingency reserve was \$6,000,000, an increase of \$4,000,000.

Assets of Aetna Casualty were \$60,060,669, an increase of about \$9,000,000. Surplus was \$15,420,900, an increase from \$14,075,387, with a contingency reserve of \$1,600,000. Underwriting profit was \$1,371,398.

Automobile of Hartford showed an increase in assets of about \$1,700,000, the total at the end of 1938 being \$26,299,364. Surplus increased from \$7,185,126 to \$7,875,522 with a contingency reserve of \$850,000. Underwriting profit was \$626,827. Standard Fire made an underwriting profit of \$112,753 and increased its assets about \$300,000 to \$5,646,015. Surplus increased from \$1,958,137 to \$2,057,265, with a contingency reserve of \$150,000.

Underwriting profit of the accident and liability department of Aetna Life was \$2,314,218.

Two Vice-presidents Named in Maryland Casualty

James McClure Gillet and Dr. Allan D. Lazenby were elected vice-presidents of the Maryland Casualty. Mr. Gillet, who has been connected with the organization since 1903 will have direct charge and supervision of compensation, automobile, liability, burglary, accident and plate glass lines, while Dr. Lazenby, since 1924 the chief surgeon, becomes medical director with full responsibility for all medical activities.

Writes \$500 Burglary Form

Continental Casualty is now writing a \$500 blanket residence burglary insurance policy, joining the 10 or 12 companies which have entered this low-price policy field. It is expected this year that many more companies will begin writing such a policy. While opinion is mixed as to whether or not the \$500 policy will attract those who would be prospects for the \$1,000 policy, the majority seem to think that it will attract only those who think they cannot afford the higher premium policy.

Total Accidental Deaths in 1938 Is Set at 95,000

The National Safety Council now officially reports that the number of automobile traffic deaths in 1938 was 32,000. This is a decrease of 19 percent as compared with the all-time high in 1937 of 39,643.

The total of accidental deaths was 95,000 a decrease of 10,200, which the council states is the greatest improvement ever made in a single year.

Deaths in public accidents not involving a motor vehicle were 16,500 as compared with 18,000. Occupational fatalities dropped from 19,000 to 17,000. Home accidents increased from 32,000 to 32,500. Columbus, O., with a reduction of 62 percent, had the best record of any city of more than 250,000 population, in respect of accidental deaths. Providence, R. I., enjoyed a decrease of 61 percent, Newark, 57 percent; Dallas, 50, Birmingham, 50.

Continental Casualty Issues Its 1938 Statement

Continental Casualty has issued its annual statement showing assets \$34,052,618 as compared with \$30,573,901 a year ago. Its cash is \$3,406,318, bonds \$6,858,891 aside from federal government bonds of \$10,568,112 and other public bonds \$1,620,228. Its preferred and guaranteed stocks are \$1,050,550 and other stocks \$4,651,588. Its premium reserve is \$9,112,384 as compared with \$8,418,754 a year ago. The claim reserve is \$12,959,371. The general contingency reserve is \$1,800,000, capital \$1,750,000 and net surplus \$6,204,963. The underwriting profit was \$1,367,898. The net gain from operations less dividends paid to stockholders and provision for federal income taxes was \$1,184,743. There was \$406,252 credited to surplus and \$400,000 transferred to contingency reserve. The net addition to surplus is \$1,190,996. The premiums last were \$21,039,173, increase \$349,516.

Trinity Universal Reports Sharp Gains for 1938

At the annual stockholders' meeting of Trinity Universal President Edward T. Harrison reported that 1938 was the most successful year in history. Premium income reached an all-time high of \$4,105,053. The surplus account was increased \$414,686, to a new high of \$1,345,405. A gain in assets of \$730,408 was recorded, increasing the total to \$6,003,065.

The company has been in operation since 1926, and its conservative growth and financial standing are recognized.

A cash dividend of \$2 was declared, payable quarterly, beginning Feb. 15.

Cincinnati Claim Men Elect

CINCINNATI.—At the annual meeting Claims Association, the following were elected: J. H. Moesta, United States Fidelity & Guaranty, president; C. A. Sackman, Allan Commercial Service, vice-president; C. E. Simpson, Globe Indemnity, secretary. The steering committee includes D. M. Eckert, American Automobile, and John Held, Cincinnati Gas & Electric Co.; Ted Elswick, American Automobile, is chairman program committee; L. E. Carney, Hartford Accident Indemnity, publicity committee; C. B. Downs, General Accident, legislative committee, and C. E. Heile, Employers Liability, membership committee.

Granville Made Vice-President

Dr. W. A. Granville, for 16 years associated with the Washington National of Chicago, has been elected a vice-president. He has served as director of publication.

The American Agency Lloyds of Dallas has been licensed in Oklahoma. Reynolds Garner, Braniff building, Oklahoma City, is state manager.

Glass Bureau Holds Annual Session

Members Write 98.1 Percent of Premiums, Manager Mardin Reports

NEW YORK—Of the plate glass premiums in New York state, the 56 companies belonging to the New York Plate Glass Service Bureau—a division of the National Bureau of Casualty & Surety Underwriters—wrote 98.1 percent, according to the annual report of Manager J. W. Mardin.

The field work of the bureau covers the five boroughs of this city, Long Island, Westchester county, and the northern section of New Jersey. During 1938, surveys, inspections and loss investigations to the number of 75,070 were made in the regular course, as well as 1,229 additional surveys of hotels and other special risks. More than 284,000 rate cards are on file.

Machinery Is Amplified

Through a rewriting of application inspection blanks the number was reduced. All essential information is contained in a single form.

Another innovation was the charging of a flat rate for unit service, instead of predicated costs as previously upon a monthly expense basis. The charge of 37 cents for a risk or claim inspection, and 74 cents for a property survey, i. e., a complete measurement of all lights, was substantially less than the costs of 1937.

Losses directly traceable to the hurricane of last Sept. 21, it developed, aggregated \$25,000, in the area serviced by the bureau. Twenty-one surveyors are employed.

Companies elected to serve for the three years period in succession to those whose terms expired are Continental Casualty, Ocean Accident, and Royal Indemnity. Continuing members are Aetna Casualty, Commercial Casualty, Standard Surety, Travelers Indemnity, United States Casualty and U. S. F. & G. F. H. Bragg, Royal Indemnity, was reelected chairman of the supervisory committee.

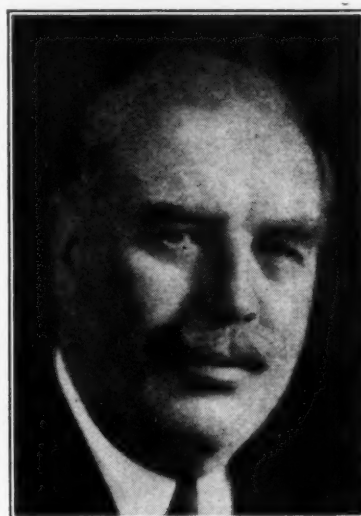
New Illinois Rating Setup Is Effective March 1

NEW YORK—The National Bureau of Casualty & Surety Underwriters announces its Illinois branch is now handling so-called "A" rated Illinois risks for automobile, miscellaneous liability, compensation, and employers' liability, effective on and after March 1. In automobile, each risk in its entirety will be treated as one risk regardless of whether there are concurrent carriers, and any such risk with head office in Illinois and exposure limited to Illinois which is designated "refer to company" in the manual (including experience and schedule rating) will be submitted to the Illinois branch. For miscellaneous liability, compensation and employers' liability, a risk is defined as any risk or portion thereof insured with one company or uninsured. The Illinois operations of such risks which are designated as "A" rated or which are not specifically classified and rated in the manual, as well as experience ratings of compensation will be submitted to the Illinois branch.

Royal Indemnity Reports

Royal Indemnity in its new statement, reports assets \$31,843,601, an increase of \$2,853,375. Premium reserve is \$5,976,164, an increase of about \$160,000. Claim reserve amounts to \$13,045,554. There is a voluntary reserve of \$5,645,074, increase \$2,811,341. Net surplus is \$2,500,000. Underwriting profit was the largest in its history.

Globe Indemnity Figures for 1938 Show Strength



A. DUNCAN REID

Asset position of the Globe Indemnity in 1938 was the highest in its history, President A. Duncan Reid reported. On the commissioner's convention basis assets are \$39,050,268, increase \$2,947,007, and on the market value basis are \$40,222,694. Voluntary reserve for contingencies and for fluctuation in market value of securities increased \$2,982,950, on convention basis to \$6,621,734. The market value basis would increase this item to \$7,794,159. This reserve in effect is unallocated surplus, Mr. Reid stated, and shows substantial increase in financial strength last year.

Surplus is \$5,000,000, which added to unallocated surplus of \$6,621,734, designated as contingent reserve, makes a total of \$11,621,734. This combined figure is the largest in the company's history. Reserve for taxes is \$925,000, of which \$575,000 is set aside for federal taxes.

Liquidity, shown by comparing combined cash and U. S. government bonds totaling \$21,632,050, is \$1.34 for every dollar of claim reserve, Mr. Reid reported.

Casualty 1938 Results in Tabloid

American Indem., Tex. —Assets, \$3,920,399; inc., \$334,844; unearned prem., \$1,025,216; loss res., \$127,731; liab. res., \$531,923; capital, \$1,000,000; surplus, \$600,000; inc., \$85,000. Experience:			
	Net Pmts.	Losses Pd.	
Fire	\$ 137,316	\$ 46,390	
Tornado	25,956	14,699	
Auto liability	879,099	352,299	
Other liability	40	40	
Workmen's comp.	450	450	
Fidelity	12,628	2,088	
Surety	56,819	8,003	
Plate glass	18,602	2,363	
Burglary and theft.	21,019	3,808	
Auto prop. damage.	303,101	119,909	
Auto collision	212,536	109,865	
Other auto	199,627	64,092	
Total	\$1,866,706	\$ 724,012	

Auto Club of So. Cal. —Assets, \$7,200,228; inc., \$152,797; unearned prem., \$1,617,007; loss res., \$210,766; surplus, \$5,249,059; inc., \$62,211. Experience:			
	Net Pmts.	Losses Pd.	
Auto prop. damage.	\$ 591,446	\$ 216,817	
Auto collision	1,833,126	938,555	
Other auto	561,007	219,845	
Total	\$2,985,579	\$1,375,217	

Benefit Assn. of Railway Emp., Ill. —Assets, \$2,452,010; inc., \$197,617; unearned prem., \$144,362; loss res., \$748,377; surplus, \$1,346,334; inc., \$118,095. Experience:			
	Net Pmts.	Losses Pd.	
Accident and health.	\$3,339,503	\$1,898,263	

Badger St. Cas., Wis. —Assets, \$64,878; dec., \$11,978; unearned prem., \$27,284; loss res., \$3,143; liab. res., \$20,981; surplus, \$10,000; inc. dec., \$5,820. Experience:			
	Net Pmts.	Losses Pd.	
Auto liability	\$ 30,605	\$ 13,966	
Burglary and theft.	2,299	118	
Auto prop. damage.	21,867	3,883	
Auto collision	1,757	1,920	
Other auto	4,811	1,059	
Total	\$ 59,339	\$ 20,946	

Century Indem. —Assets, \$12,029,242; unearned prem., \$3,367,281; liab. res., \$2,223,188; comp. res., \$1,248,723; capital, \$1,000,000; surplus, \$2,710,098. Experience:			
	Net Pmts.	Losses Pd.	
Accident	\$ 150,658	\$ 45,989	
Health	16,356	7,629	
Auto liability	2,455,524	1,107,295	
Other liability	1,101,576	359,751	
Workmen's comp.	1,866,463	881,939	
Fidelity	357,305	68,649	
Surety	501,328	21,351	
Plate glass	163,028	82,507	
Burglary and theft.	311,619	114,317	
Auto prop. damage.	682,432	284,308	
Auto collision	17,171	10,500	
Other P. D. and coll.	44,894	6,883	
Total	\$7,568,360	\$2,991,121	

Employers Reins. —Assets, \$15,871,846; inc., \$629,495; unearned prem., \$3,043,075; loss res., \$708,900; liab. res., \$4,593,501; comp. res., \$1,312,028; non-can A. & H.			
	Net Pmts.	Losses Pd.	

Peace Overtures in Birmingham

National Agreement on Adjusters' Place May Compel End of Local Row

BIRMINGHAM, ALA.—An effort to adjust the difference between attorneys and insurance adjusters which led to the Birmingham Bar Association's suit against a score of companies and adjusters for the alleged unlawful practice of law is being made following the well publicized agreement reached recently in Chicago by the joint committee of American Bar Association representatives and insurance interests.

The initiative was taken by the Birmingham attorney group which opposed the suit in the first place but was outvoted by a slight majority in the recent election of Judge Hugh A. Locke as president of the Bar Association. The adjusters are also reputed to be willing to come to some agreement which would recognize the rights of both adjusters and lawyers.

Radical Group Persisted

The faction of the bar which instituted the suit remains persistent and insists that the case now pending in court will be brought to trial. However, it has not been set as yet, and some predict that it may be continued indefinitely when and if it comes up for trial during the spring term.

Adjuster J. A. Wilkey who sued four attorneys for \$10,000 after charges of unlawful practice of law had been instituted against him agreed on a continuance of the case when it came up for trial last week. It was thought some agreement might be reached out of court. Mr. Wilkey claimed that the suit against him was libelous to his reputation as an independent adjuster.

Broad Street Men Not Guilty

BOSTON.—John M. Foley, a director, and James A. Dolan, secretary of the defunct Broad Street Mutual Casualty, were found not guilty in municipal court of attempted larceny. The two men were charged with signing a check for \$125 when they had only \$114 in the bank.

Fidelity & Casualty, N. Y. Manager Is Dead



H. V. UPINGTON

H. V. Upington, resident manager in New York for Fidelity & Casualty, died at his apartment in New York in his 65th year. He joined the F. & C. as a clerk in the accounting department in 1898. Later he was transferred to the agency department, eventually becoming agency superintendent. He was appointed resident manager in Detroit in 1912 and served there until he was transferred to New York in 1931. He was a bachelor.

New Amsterdam Casualty, U. S. Casualty Statements

The report of the New Amsterdam Casualty shows premiums earned \$13,423,719, interest and rents earned \$667,684, net gains \$68,542, total \$14,159,945. Losses and claim expenses incurred were \$7,734,314, underwriting expenses \$5,212,223, total \$12,946,537. The operating profit was \$1,213,407, the dividends paid \$312,500. Net operating profit, therefore, was \$900,907. The income from investments substantially increased while the volume of premiums was 5 percent less. The assets are \$25,071,994, premium reserve \$6,119,385, claim reserve \$11,398,029, capital \$1,000,000, net surplus \$4,000,000. Contingency reserve is placed at \$1,285,602.

The United States Casualty shows premiums earned \$6,171,780, net interest and rents earned \$261,643, total \$6,433,423, losses and claim expenses \$3,765,231, underwriting expenses \$2,283,283, total \$6,057,340, operating profit \$376,082, operating profit less dividends \$308,582, assets \$10,086,629, premium reserve \$2,446,032, claim reserve \$3,874,380, capital \$1,000,000, net surplus \$2,117,312.

Indemnity Company Conference

Managers and field men numbering about 40 of Indemnity of North America held a conference last week in Philadelphia with head officials. John A. Diemand, executive vice-president, made the opening talk, followed by Vice-presidents H. P. Stellwagen and Benjamin Rush, Jr. Talks were also made by the heads of all of the underwriting departments.

William A. Barrett, general agent of the Continental Casualty accident and health department and of Continental Assurance in Indianapolis, died unexpectedly this week due to a heart attack. Periodical health examinations had shown no disorders. He had been connected with the company about 10 years and had been long in insurance. Previously he was Indiana supervisor of the Metropolitan. Mr. Barrett was about 47 years of age.

(CONTINUED ON LAST PAGE)

Emeco of South Bend, Ind., that insures cars financed by Associates Investment Company, has entered Texas.

NEWS OF CASUALTY COMPANIES

Employers Mutual's Annual Statement

President J. A. Gunn of the Employers Mutual Casualty of Des Moines has issued its new annual statement, revealing that 1938 was the best year in its history. The underwriting results were very gratifying, showing an increase of approximately \$246,000 in surplus of which \$100,000 has been placed in a special contingency reserve. The net surplus is \$674,688 and with the contingency reserve, the policyholders surplus is \$9,674,688. The assets are \$3,612,387, premium reserve \$1,157,770, claim reserve \$1,466,202. The assets increased \$530,000. The claim reserve increased \$57,000 and the premium reserve \$230,-

000. President Gunn has believed in adequate reserve ballast to take care of all obligations that arise.

The volume of business was a little less than in 1937, but the management set out determinedly to eliminate unprofitable risks.

President Gunn is proud of the fact that the company has been under the same management since it was organized in 1911. It has over 1,800 agents and brokers constantly feeding grist into the mill. The assets are largely in federal government, municipal and school bonds, that item being \$2,513,950. One of the interesting features is that it has never owned a bond that has been in default as to interest and principal. It has \$437,283 cash.

The Employers Mutual Casualty is strictly an agency company and renders

real agency service. It has voluntarily made a deposit with the Iowa insurance department and has a guarantee fund of \$100,000 in federal registered bonds. This was done to protect policyholders in the event of a contingency. All policies are non-assessable as under the Iowa law any mutual company can issue a policy without contingent liability if it has a surplus of \$100,000. It is licensed in Iowa, Illinois, Nebraska, Minnesota, Kansas, North Dakota, South Dakota, Colorado, Missouri, Texas and Mississippi.

Plans Are Perfected For Founders Mutual Casualty

Operators of the 37 Illinois foundries who have been acting as a unit in the handling of their compensation and occupational disease requirements, have now incorporated Founders Mutual Casualty in Illinois. These are medium sized and small foundries. They are members of the American Foundrymen's Association, the headquarters of which are in Chicago. E. O. Jones is treasurer of that association. Inasmuch as insurance is one of the biggest problems that the foundryman faces today, because the silicosis hazard is so prominently involved, Mr. Jones has developed a pretty thorough knowledge of the insurance situation and he has been able to give much help to the members along this line. However, it is this group of 37 members rather than Mr. Jones that is getting Founders Mutual Casualty organized.

Members of this group were faced with inability to get insurance when the Illinois occupational disease act was passed a few years ago. A plan was developed to meet the needs of this group. The aggregate loss arrangement was employed, whereunder Lloyds pays the losses incurred by the group in excess of 70 percent of the premiums collected.

Today the insurance companies as a whole feel more certain in their underwriting. They have gotten over the jitters and many of them are furnishing a pretty free market to foundrymen.

Plans for Founders Mutual Casualty have been perfected and the company is in process of complying with the requirements of the state for licensing.

Employers Reinsurance Had Successful Year's Operations

Annual statement of the Employers Reinsurance of Kansas City has been released showing assets \$15,871,846, of which \$1,917,464 is cash, \$11,000,548 is in bonds, \$1,827,010 stocks. Its loss reserve is \$6,614,429, premium reserve \$3,043,075, voluntary special reserve \$1,304,382, capital \$1,500,000, net surplus \$2,500,000. The premiums last year were \$6,835,881, decrease \$1,690,607. This is largely accounted for by a decrease in the acceptance of large blanket pro rata cessions under short term treaties. The volume for 1937 was substantially increased by such acceptances. The 1938 premiums are about the same as those for 1936. There is a decrease of \$103,642 in premiums earned, that item being \$7,644,508. The loss ratio was 45.1 percent, an increase of 1.6 percent. The premium reserve decreased \$808,627. The loss reserves increased \$880,472. There is a \$595,239 increase in voluntary special reserve. Of the assets 81.4 are entirely liquid.

Maryland Casualty Reports on Profits for 1938

An underwriting profit for 1938 of \$1,748,712 and an operating profit of \$2,674,032, both exclusive of payments on mortgage guaranty exposure, are reported by the Maryland Casualty.

During the year \$5,854,879 of contingent exposure on guaranties of principal in connection with mortgage items were eliminated, making a reduction of \$21,310,934 since 1934. The company also

absorbed the loss on and provided for retirement of \$7,146,020 of debentures guaranteed as to interest only. These reductions and other mortgage expenditures resulted in an underwriting loss of \$963,460 and an operating loss of \$202,526.

Gross premiums written amounted to \$28,539,117, net premiums after reinsurance \$26,264,568, losses and loss expenses \$14,286,243. The combined loss and expense ratio was 95 percent, a decrease of .4 percent. Taxes were \$1,030,626, surplus to policyholders \$7,423,672.

Gross and Net Writings Decrease

Gross writings decreased \$1,573,548 or 5.2 percent. Net writings, after reinsurance, decreased \$1,661,732, or 5.9 percent. Of the total net decrease, 71.5 percent come from reduction in premiums based on payrolls of assured.

Underwriting profit, exclusive of payments made in the discharge and elimination of mortgage guaranty exposure, was \$1,748,712. Operating profit exclusive of the same items \$2,674,032. Income from investments \$868,195. After all payments in discharge and prepayment of mortgage guaranties an underwriting loss of \$963,460 and an operating loss of \$202,526 was experienced. Securities appreciated \$634,970, although this was not included in the above figures.

Ratio of 90-day overdue premiums was reduced to 4.35 percent as compared with 5.01 percent for 1937. This is the lowest in company history. Total assets were \$39,433,623, of which \$5,927,586 was cash and \$21,822,122 securities.

Central Surety's Assets, Surplus Increase

KANSAS CITY—The Central Surety assets gained \$956,878 in 1938 over 1937. Assets Dec. 31 were \$7,209,313; reserves were up \$621,138 to \$4,617,160; surplus gained \$335,739 to \$1,592,153; premium reserves increased \$257,258 to \$1,788,957; claim reserves totaled \$2,151,817, a gain of \$195,161. Net premiums after reinsurance \$4,401,302, gain \$209,483. This increase does not include \$75,000 paid in dividends. The dividend basis was changed from semi-annual to quarterly. Net investment earnings were \$122,885. Market value of bonds exceeded book value by more than \$163,500. No bonds or mortgages owned were in default either as to interest or principal.

Ohio Casualty Assets Are More Than \$1,000,000 Higher

Ohio Casualty has issued its new annual statement showing assets \$7,135,082, a gain of well over \$1,000,000. The previous year the assets were \$6,001,408. Loss reserve amounts to more than \$2,100,000, an increase of about \$500,000. Premium reserve is \$2,549,633, as compared with \$2,412,081 the previous year. There is a reserve for contingencies of



HOME OF "SERVICE THAT EXCELS"

General Accident

FIRE AND LIFE

ASSURANCE CORPORATION, Ltd.



JOHN H. GRADY, United States Attorney
JAMES F. MITCHELL, United States Manager
GENERAL BUILDING - 4TH & WALNUT STS.
PHILADELPHIA

AMERICAN RE-INSURANCE CO.

Robert C. Ream, President

99 John Street New York
DECEMBER 31st, 1938

CAPITAL	\$ 2,000,000.00
Surplus	4,547,338.93
Voluntary Catastrophe Reserve	500,000.00
Reserve for Losses	4,574,742.68
All Other Liabilities	2,129,434.74
TOTAL ADMITTED ASSETS	13,751,516.35

NOTE: Securities carried at \$364,875.00 in the above statement are deposited as required by law.

CASUALTY • FIDELITY • SURETY
Re-Insurance

TAXICABS AND LONG HAUL TRUCKS

B. I. and P. D.—Fire, Theft and \$100 Deductible Collision Coverage in the following States:

Maryland, Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Louisiana, Texas, Arkansas, Indiana, Iowa, Kentucky, Ohio, Nebraska and Colorado.

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can be placed through Swett & Crawford in strict conformance with State regulations. We offer producers throughout the United States an extensive market for insuring UNUSUAL RISKS and UNCOMMON HAZARDS. Our staff that handles these lines is comprised of men trained in solving difficult underwriting problems. No matter how complex your next risk may be, we will be glad to give you the benefit of our assistance.



SWETT & CRAWFORD
General Agents
Underwriting Managers

SAN FRANCISCO—100 SANSOME STREET.....LOS ANGELES—621 SOUTH HOPE STREET
OAKLAND—CENTRAL BANK BUILDING
SEATTLE—WHITE-HENRY-STUART BLDG.....PORTLAND—YEON BUILDING

\$700,00. Capital is \$600,000 and net surplus is \$1,000,000. The previous year net surplus was \$808,127. Of the assets, 58.4 percent are in cash and U. S. government bonds, 6.7 in municipal and listed bonds, 12.8 in preferred and common stock and 7 in mortgage loans. Stock of the affiliated Ohio Insurance Company is carried at \$380,580. Its entire assets are invested in cash, government and listed bonds.

Western Surety Makes Progress

Western Surety of Sioux Falls, S. D., made gains in all directions last year. Its new annual statement shows assets \$1,466,376 as compared with \$1,274,847 the previous year; premium reserve \$228,010, gain about \$17,000; capital \$300,000, net surplus \$506,870 as compared with \$329,850 the previous year. There is a voluntary reserve of \$175,000.

National Surety Figures

More details are given of the annual statement of the National Surety, its assets being \$24,187,207, loss reserve \$4,425,400, premium reserve \$5,605,634, contingency reserve \$306,111, capital \$2,500,000, net surplus \$10,376,627. Its cash is \$1,951,437. Its bonds are \$9,189,901 and stocks \$10,649,619. It has a well diversified financial portfolio. Of its

assets nearly 90 percent can be converted into cash in a short time. The policyholders surplus of \$12,876,000 is \$2,500,000 in excess of the annual premium volume. The National Surety has 31 branch offices and 22 claim service offices. It has more than 6,500 agents. At the end of the year it had 2,958 pending claims. During the year 18,920 claims were reported and 18,944 disposed of.

Marshall Appointed Manager

MONTREAL, CAN.—Viscount Knollys, managing director of the Employers' Liability, announces the appointment of E. L. Marshall as general manager for Canada and Newfoundland with headquarters in the Insurance Exchange Bldg., at Montreal, to succeed the late John Jenkins. The Merchants' Marine Co. of London and Britannic Underwriters' subsidiaries of the Employers' are included in this group. For a number of years Mr. Marshall acted as inspector for the company and has served as assistant manager from 1932.

Motor Vehicle Casualty Reports

Motor Vehicle Casualty of Chicago in its 1938 statement reports assets \$1,036,143. Premium reserve is \$380,868, capital \$200,000 and net surplus \$143,419.

The management states that there is no default of interest or principal in any of the investments.

Illinois and Ohio departments have issued a report of the examination of Motor Vehicle Casualty as of Sept. 1. Its assets are \$1,027,096, loss reserve \$220,778, premium reserve \$394,056, capital \$200,000 and net surplus \$118,647. The report says that all contractual obligations were equitably fulfilled in accordance with the provisions of the contract and policyholders fairly treated. The examiners find that the company has materially reduced its investment in stocks and has increased its investment in bonds.

The company shows an increase of surplus \$41,874 since the previous examination. It writes full cover automobile business. It operates in Illinois, Ohio, Indiana and Iowa. The company issues only one policy form, viz., standard automobile policy, all changes and coverage effected by an endorsement. It has about 1,000 local agents.

The company has on deposit with the Illinois department bonds valued at \$229,500. Its premium income from Jan. 1 to Sept. 1 amounted to \$551,984, of which \$278,685 were liabilities. The total income was \$588,939. The losses amounted to \$280,560, total disbursements \$628,846.

CHANGES

Glens Falls Indemnity Gives Mead Superior Title

At the annual meeting of Glens Falls Indemnity George D. Mead was elected executive vice-president. He has been with the company since its organization in 1927, first holding the post of agency superintendent and then that of vice-president for the last seven years. He has been the directing head of Glens Falls Indemnity.



G. D. MEAD

Mr. Mead was connected with Hartford Accident for several years before joining Glens Falls Indemnity. He was located at the head office and then served as Pittsburgh manager for a time. Mr. Mead, according to legend, got his start in the insurance business because of his athletic ability. He was a splendid baseball player and he was employed by Hartford Accident as a youth to catch for that company's baseball team.

Hosford Becomes Casualty Manager in Los Angeles

BALTIMORE—J. W. Hosford, for five years casualty and surety underwriter in the Maryland Casualty Denver office, was transferred to Los Angeles as casualty department manager. He will be succeeded at Denver by W. O. Johnson, since 1931 special agent in mid-western territory. Mr. Hosford started in field work in 1930 as special agent in Denver territory and went with the Maryland in 1933.

Campbell in Charge of Bonds

KANSAS CITY—F. A. Campbell, who has been in the bond field here since 1926, has been appointed superintendent of the bonding department of the Massachusetts Bonding here by F. G. Packwood, manager. Mr. Campbell was with the Aetna Casualty & Surety bonding department seven years, then handled the bonding and burglary department of the Phister agency for over three years. He has been with Busler & Co. agency for two years. The bond department has been handled by Miss Frances

FINANCIAL STATEMENT, DECEMBER 31, 1938

As Filed with Insurance Department of the State of New York

ADMITTED ASSETS

Bonds and Stocks.....	\$4,231,761.56
First Mortgages on Real Estate (F. H. A.).....	518,986.19
First Mortgages on Real Estate (Other).....	240,814.35
Real Estate	81,385.42
Cash in Banks and Office.....	562,104.95
Premiums Outstanding (Not over 3 months due).....	1,123,646.54
Interest Accrued	32,363.79
Other Admitted Assets.....	26,920.41

\$6,817,983.21

LIABILITIES

Premium Reserve	\$2,063,335.00
Claim Reserve	2,628,494.00
Commissions to become due.....	230,389.17
Taxes, Expenses, Etc. Payable.....	101,775.68
General Voluntary Reserve.....	293,989.36
Capital	800,000.00
Surplus	700,000.00

\$6,817,983.21

SURPLUS TO POLICYHOLDERS \$1,500,000.00

NOTE: Securities carried at \$399,649.56 in the above statement are deposited as required by law.

Bankers Indemnity Insurance Co.

Newark, New Jersey

One of

THE American Insurance Group
Newark New Jersey

WANTED SPECIAL AGENT

To travel northern Illinois for aggressive independent stock automobile insurance company. Applicant must have good following and be a producer. State age, experience, etc.

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Serve the Insurance Companies, Transportation
Lines and Self-Insurers

First National Bank Building
CHICAGO

HINE'S LEGAL DIRECTORY, INC.
Established 1908
EDWARD E. COLLINS, Manager

EMPLOYERS REINSURANCE CORPORATION

Condensed Statement as of December 31, 1938

ASSETS

Cash in Banks and on Hand.....	\$ 1,917,464.17
Bonds, Amortized Value	
United States Government.....	\$ 4,554,856.33
Canadian Government (Statutory Deposit in Canada).....	194,469.30
State, County, Municipal.....	5,824,833.35
Railroad	144,533.39
Public Utility	108,083.78
Industrial	173,771.50
Total Bonds	\$11,000,547.65
Stocks, Market Value.....	1,827,010.00
Total Bonds and Stocks.....	12,827,557.65
Mortgage Loans	493,879.19
Real Estate	229,000.00
Premiums in Course of Collection (Under 90 Days).....	295,172.92
Interest Accrued	108,771.74
Total Admitted Assets.....	\$15,871,845.67

LIABILITIES

Loss Reserve: Liability and Compensation (Schedule "P" Basis).....	\$ 5,905,529.62
Loss Reserve: Other Classes, Including Investigation Expense.....	708,899.70
Total Loss Reserve.....	\$ 6,614,429.32
Reserve for Unearned Premiums.....	3,043,074.81
Commissions Accrued on Premiums.....	162,084.66
Reserve for Contingent Commissions.....	163,278.66
Reserve for Miscellaneous Bills.....	10,000.00
Reserve for State and Federal Taxes.....	181,497.31
Amount Held for Reinsurance Companies.....	393,098.49
Voluntary Special Reserve.....	1,304,382.42
Capital	1,500,000.00
Surplus	2,500,000.00
Total	\$15,871,845.67

On the basis of December 31, 1938, market quotations for all bonds and stocks owned, the total admitted assets would be increased to \$16,466,763.22 and the Voluntary Special Reserve to \$1,899,299.97.

Securities carried at \$1,184,681.61 in the above statement are deposited for purposes required by law.

OFFICERS

E. G. TRIMBLE, President

HOWARD FLAGG	Executive Vice-Pres.	JAMES W. SMITH	Vice-President
J. B. ROBERTSON		D. StC. MOORHEAD	Vice-President
	Vice-President and General Counsel	S. L. STEBBINS	Secretary
FRANK P. PROPER	Vice-President	EDGAR E. SMITH	Treasurer

HOME OFFICE KANSAS CITY

NEW YORK
D. StC. Moorhead

CHICAGO
B. H. Henderson

LOS ANGELES and SAN FRANCISCO
T. A. Long

Kypke. She also had charge of the agency department, and will continue in that capacity.

L. T. O'Brien Leaves Company Post

L. T. O'Brien has disposed of his holdings and resigned as vice-president and director of New Century Casualty. Mr. O'Brien states that the duties with New Century took up more time than he deemed advisable and he will confine all his efforts to his brokerage business, the L. T. O'Brien Company, Chicago.

Henry Dembufsky, Chicago broker,

has also resigned as director of the New Century Casualty for the same reason.

Mass. Bonding Appointments

Boyd & Halstead, Inc., Toledo, Ohio, has been appointed general agents of the Massachusetts Bonding.

The Massachusetts Bonding has appointed McKinnon & Mooney as agents in Flint, Mich.

Bankers Indemnity Promotions

CLEVELAND—John F. McGuire has been appointed field representative of

the Ohio branch of the Bankers Indemnity, under John L. Crowley, resident vice-president. Mr. McGuire has been with the company for eight years, the more recent of which have been spent in production work. He was in Cleveland until a year ago when he went to Philadelphia.

Walter S. Blair has been made safety engineer, succeeding E. S. Nelson, resigned. He has been in the Cleveland office four years. W. A. Roderick has been appointed office attorney.

Barton Elected President of Kansas City Group

KANSAS CITY—J. I. Barton, manager Maryland Casualty, was elected president Casualty & Surety Underwriters Association of Greater Kansas City. He succeeds Moulton Green, of R. B. Jones & Sons.

Bennett McCluer, McCluer-Wilbur Underwriting Company, was elected first vice-president; W. F. Moffatt, manager U. S. F. & G., second vice-president, and B. C. Brown, manager Fidelity & Deposit, treasurer. The executive committee consists of Moulton Green, chairman, Robert Hawley, Travelers; Louis McGee, Thomas McGee & Sons; George W. Kerdolff, Mann, Barnum, Kerdolff & Welsh, and L. A. Stewart, Central Surety.

Fred Phillips, Springfield, Mo., agent; Carroll Mavis, new manager American Automobile, and F. A. Campbell, new bonding department superintendent Massachusetts Bonding, were guests.

Attorney-Adjuster Issue to Come Up Feb. 4

LOS ANGELES—The Casualty Insurance Adjusters Association of Southern California, at a meeting was informed that the joint committee of the California state bar and adjusters, named after meeting of the state bar in Pasadena, would meet in San Francisco, Feb. 4, to take up the question of making a treaty in accordance with the understanding arrived at during the Pasadena meeting on the moot question of what is the illegal practice of law. The announcement was made by Alex Davis, chairman state bar committee, a guest at the adjusters gathering.

President Cleves of the adjusters association read an excerpt from a statement issued by the joint committee of the American Bar and insurance organizations held recently in Chicago. He also read summaries of bills before the California legislature, paying special attention to the Voight assembly bill and Westover senatorial bill calling for com-

pulsory automobile insurance. The latter, he said, is particularly vicious one, as it puts control of all accidents in the hands of an accident commission, and leaves the companies in the same position as companies writing workmen's compensation.

F. E. Betz, Rex Rockford, and Guy Hayes were named a committee to investigate and report on an anticipated move on the part of some attorneys to have a law enacted which would not permit doctors at receiving and other hospitals to testify as defense witnesses in accidents cases. An amendment to the constitution was offered making the secretary's pay a straight monthly one instead of on a meeting basis.

PERSONALS

W. H. Alger, Continental Casualty, Chicago, is vacationing in Florida at Useppa Island, Lee county, Fla. He is indulging in sail fishing, his favorite sport. He expects to return to Chicago the latter part of February. Mr. Alger is accompanied by his wife.

Marking the 25th anniversary of his association with the American Automobile, M. W. Doyle, resident vice-president at Indianapolis, was entertained by home office officials in St. Louis. President O. L. Schleyer presented Mr. Doyle a silver tray and an engrossed plaque signed by company officials. Mr. Doyle joined the American Automobile organization in 1914 as mechanical supervisor in the claim department. In 1924 he was sent to Indianapolis to establish and become manager of the branch office. Last month Mr. Doyle was elected a resident vice-president. He will continue in charge of operations in Indiana.

E. C. Potter, vice-president at San Francisco of the United States Fidelity & Guaranty, stopped in New York City en route home from a visit to the head office in Baltimore.

W. E. McKell, vice-president of American Surety, as the new president of the New York Board of Trade, presided at a testimonial dinner, in honor of P. C. Magnus, the immediate past president of the organization. The principal address was made by T. I. Parkinson, president of Equitable Society.

C. T. Spaulding, assistant manager of the New York office of the Aetna Casualty, who delivered the initial lecture in the course arranged by the Accident & Health Club of New York, has been connected with his company's home office for over 12 years prior to going to New York. Long ago he became thoroughly sold on the advantages of accident and health coverage. A fluent and easy speaker, he has traveled the country over, addressing agency groups.

J. Dillard Hall, assistant agency director U. S. F. & G., spoke on "Guarding the Nation's Profits" at the Pittsburgh Credit Men's Association luncheon.

Gordon Fox of Chicago, surety manager of Marsh & McLennan, is on a visit to London.

Agents Wanted BEAUTY SHOP LIABILITY INSURANCE

Policies written by Responsible American Company in business over 26 years.

LOW COST • REGULAR COMMISSIONS

C. T. KIPLINGER, General Agent
175 W. Jackson Blvd., Chicago, Ill.



ACCIDENT COVERAGE FOR PEOPLE PAST SIXTY

Don't pass up this business!

Accidents are a constant threat to older people who have lost the firm step of youth. Yet, at this age when they need it most, protection against accidents is hardest to obtain.

Many agents and brokers, unable to secure coverage of this type through ordinary sources, have added materially to their

premium incomes by writing the Over Age Accident Contract available through this organization.

Underwritten by prominent underwriters, it covers death, dismemberment and weekly indemnity or death separately. Full details will be sent on request.

R. N. CRAWFORD & CO., Inc.

Insurance Exchange, Chicago Telephone Wabash 2637

Headquarters for "OUT-OF-THE-ORDINARY" Contracts

CONDENSED FINANCIAL STATEMENT of the WESTERN SURETY COMPANY SIOUX FALLS, SOUTH DAKOTA

AS OF DECEMBER 31, 1938

ASSETS

Cash	\$482,546.07	
Stocks (Market)	255,175.00	
Bonds (Market)		
Government	\$262,287.10	
Others	49,900.00	312,187.10
First Mortgage Real Estate Loans	96,389.23	\$1,146,297.40
Real Estate		214,263.26
Premiums in Course of Collection (Under 90 Days)		71,379.30
Accrued Interest on Investments		14,436.47
TOTAL		\$1,446,376.43

LIABILITIES

Reserve for Unearned Premiums	\$228,010.12	
Reserve for Anticipated Losses and Claims	163,176.47	
Reserve for Taxes and Other Liabilities	73,319.65	\$ 464,506.24
Policyholders' Surplus		
Capital Stock	300,000.00	
Surplus	506,870.19	
Voluntary Reserve	175,000.00	981,870.19
TOTAL		\$1,446,376.43

THIS COMPANY, WHICH IS ONE OF THE OLDEST SURETY COMPANIES IN AMERICA, WRITES SURETY AND FIDELITY BONDS ONLY, MANY OF THEM AT PREFERRED RATES. IT IS DESIROUS OF APPOINTING AGENTS IN MINNESOTA, IOWA, ILLINOIS, AND MISSOURI. CORRESPOND DIRECT WITH THE COMPANY AT SIOUX FALLS, SOUTH DAKOTA



TO the many loyal agents and friends who made 1938 an outstanding year of progress, the management of the Globe desires to express its sincere appreciation. Financial stability, broad underwriting facilities, unsurpassed safety engineering, a nation-wide claim service, combined with a spirit of friendly co-operation, has built a foundation on which producers, policyholders, and friends can face the future with confidence.

FINANCIAL STATEMENT

December 31, 1938

ASSETS

Cash in Banks.....	\$ 1,314,973.01	
United States Government Bonds.....	20,317,076.89	
State, Railroad & Other Bonds & Stocks.....	12,479,507.94	
Real Estate.....	1,000,000.00	
Premiums in Course of Collection not more than three months due	3,102,031.43	
Interest and Rents Due and Accrued.....	192,816.73	
Sundry Balances Due.....	643,862.83	
TOTAL ADMITTED ASSETS.....		\$39,050,268.83

LIABILITIES

Reserve for Claims.....	\$16,106,673.32	
Reserve for Unearned Premiums.....	7,029,163.15	
Reserve for Commissions on Uncollected Premiums.....	567,698.37	
Reserve for Taxes.....	925,000.00	
Reserve for Sundry Accounts.....	300,000.00	24,928,534.84
Voluntary Reserve for Contingencies including fluctuation in Market Value of Securities.....		6,621,733.99
CAPITAL.....	2,500,000.00	
SURPLUS.....	5,000,000.00	7,500,000.00
		\$39,050,268.83

SURPLUS TO POLICYHOLDERS \$7,500,000.00

Securities carried at \$816,917.46 in the above statement are deposited as required by law. Bonds & Stocks Valued on New York Insurance Department's Basis. On the basis of December 31st, 1938 market quotations for all bonds and stocks owned, the total admitted assets would be increased to \$40,222,694 and the voluntary reserve for contingencies, including fluctuation in market value of securities to \$7,794,159.16.

GLOBE INDEMNITY COMPANY

150 WILLIAM STREET • NEW YORK, N. Y.
CASUALTY INSURANCE AND
FIDELITY AND SURETY BONDS

A. DUNCAN REID, PRESIDENT

A STOCK COMPANY ORGANIZED UNDER THE LAWS OF THE STATE OF NEW YORK



Dependable Insurance Service

plus

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FIDELITY AND SURETY

Sureties Map B. D. O. Style of Campaign in Illinois

After having conducted since last fall the experiment of attempting to meet London Lloyds competition in Illinois by methods similar to those employed in the fire insurance business by the Business Development Office, the agency committee of the Surety Association of Chicago is now launching an enlarged campaign. Heretofore five surety companies have cooperated in the work. Now 12 companies are interested.

R. D. Searles, Fidelity & Deposit, is chairman of the committee and L. V. Eklund, Hartford Accident, is secretary.

A series of luncheon meetings with agents in various Illinois cities is projected. Two representatives of the co-operating companies will be assigned to each city. At that time there will be a discussion of the London Lloyds situation and an attempt will be made to induce the agents jointly to get out a statement to the local bankers, setting forth the case for the agency system and pointing out the alleged lack of community spirit of a bank patronizing Lloyds.

An agreement has been made that any business that is placed as a result of this activity will be divided evenly by way of reinsurance among the 12 cooperating companies. The cities in which such meetings are to be held are: Elgin, Aurora, Freeport, Rockford, Monmouth, Galesburg, Peoria, Champaign, Urbana, Bloomington and Decatur.

Patterson Elected Head of St. Louis Association

ST. LOUIS—J. L. Patterson, resident manager Massachusetts Bonding, is the new president of the Surety Underwriters Association, elected at the annual meeting. Other officers are: Vice-president, J. E. Auckley, assistant manager United States Fidelity & Guaranty; secretary-treasurer, C. J. Crocket, manager fidelity department, Maryland Casualty.

Members of the executive committee are: Eugene Luther, National Surety; H. A. Martin, Maryland Casualty; F. H. Doenges, Fidelity & Deposit; J. E. Craig, Aetna Casualty, and Henry Bush, United States Fidelity & Guaranty.

The association has been cooperating with the Insurance Board in a series of weekly radio broadcasts on Station KSD, in which actual fidelity losses have been dramatized to show employers the necessity of fidelity bond protection. The surety committee on the broadcasts consists of F. H. Doenges, Henry Bush and H. A. Martin.

Propose New Type of Mortgage Guaranty Co.

State Senator Joseph of New York City has introduced a bill providing for mortgage indemnity companies to fill in part the gap left by the dissolution of the mortgage guaranty companies. The enactment of such legislation has been urged by Superintendent Pink. The indemnity company is not a competitor of the mortgage bank, since the bank is designed to take the place of the certificated issues and the indemnity company of whole mortgages.

The holder of a mortgage indemnity contract would be indemnified against loss of principal and interest at the time when his mortgage gets into trouble and it is necessary to foreclose and resell the underlying real property. He would be reimbursed from the proceeds of the sale of the mortgage property and to the ex-

tent that these are insufficient, from company funds and the reserves accumulated by the company for that purpose. The company would be permitted to make part payment in the form of a new indemnified mortgage on the property sold whenever a mortgage is accepted as a part of the proceeds.

Glens Falls Writes Big Bond

A contract in the amount of \$3,253,597 for construction of a pontoon bridge across Lake Washington has been awarded to the Puget Sound Bridge & Dredging Co., Seattle; Parker-Schram Co., Portland, and J. H. Pomeroy & Co., Inc., San Francisco. The contract bond was originated and controlled by the coast department of Glens Falls Indemnity. The cosureties with the Glens Falls Indemnity are: Maryland Casualty, National Surety, Columbia Casualty, New Amsterdam Casualty, Standard Surety & Casualty, Fidelity & Casualty, Aetna Casualty, American Bonding, General Casualty, Standard Accident, U. S. F. & G., Pacific Indemnity, Indemnity of North America, Central Surety, United Pacific and Sun Indemnity.

Authorize Vermont Bond

MONTPELIER, VT.—Governor Aiken of Vermont has authorized Commissioner Hemenway to seek bids for the first time on a blanket bond covering several state officials, including the state treasurer, secretary of state, auditor, sergeant at arms, adjutant general, heads of other administration departments, probate and municipal judges, county clerks and supervisors of unorganized towns.

Dewitt Bank Embezzler Is Caught

H. J. Kriebs, former cashier of First National Bank of Dewitt, Ia., was arrested in Little Rock, and confessed to stealing some \$83,000 from that bank. He had about \$45,000 in his possession.

National Surety had the bond of the Dewitt Bank. It is understood that it has already paid the loss. Of course it will be reimbursed to the extent of the money recovered when the defaulting cashier was arrested.

Seek Wyo. State Bond Fund

CHEYENNE—A bill has been introduced in the Wyoming house providing for a monopolistic state bonding fund for public officials in all political subdivisions of the state. Under the bill all such public employees would be automatically bonded in the fund at a premium of 25 cents per hundred per year, with a minimum premium of \$2.50.

Joint Session in Portland

PORTLAND, ORE.—The Portland Surety Association of Portland and Seattle Surety Association will meet in Portland for a joint session on March 1.

No Losses in Five Years

RICHMOND, VA.—Surety companies have had to pay out nothing for the last five years for shortage of county treasurers in Virginia, according to a report of the state auditor of public accounts.

Travelers Claims Conference

Three Travelers home office claim department officials have been holding conferences in Chicago with the claim department men in the branch there for a week. They are H. S. Don Carlos, manager life and accident claim division; Frank W. Cavanaugh, the assistant manager of the division, and Dr. M. C. Wilson, medical director accident department. A luncheon and dinner were held and group meetings at which there was discussion of disability and fraudulent claims with a showing of movies taken in such cases to defeat the claimants.

N. Y. Series Gets Off to Flying Start

NEW YORK—The educational lecture series of the Accident & Health Club of New York got off to a flying start this week, drawing an attendance which taxed the spacious meeting room of the New York Chamber of Commerce. The speaker, C. T. Spaulding, dealt with the fundamental motives for selling accident and health coverages. He was introduced by W. T. Hammer, Commercial Casualty, the club's vice-president in charge of education.

Mr. Spaulding cited instances to show how quickly a man's earning capacity can be destroyed by accidents. He brought out that today, with competition as keen as it is, the successful agent must perfect himself by selling to his insured such forms as are essential, and accident coverage is one of these essentials.

Complete A&H Week Set-up; Plan Awards

Plans for Accident & Health Insurance Week on April 24-29 were completed at a meeting of the general committee in Chicago. Awards will be made to accident and health agents for outstanding achievement in carrying the message of accident and health insurance to the public during the week. Each company will be permitted to set its own standards and name a limited number of agents who accomplish the most. Institutional advertising in insurance trade publications will be carried on during April with a slightly different type of advertising to permit wider use. Advertising and publicity material will be available again this year in promotion of the week's activities.

New Connecticut Bill for Compulsory Auto Cover

The new compulsory automobile insurance plan before the Connecticut legislature contains a provision which many say will overcome objections of insurance companies. It would make the insured responsible for the initial \$250 damages. This deductible clause seems attractive to Governor Baldwin, who stated it "may serve as a fair basis for consideration of the whole subject of compulsory insurance." A public hearing soon will be held. The bill was introduced by Representative Milton Koskoff, Plainville. M. A. Connor, motor vehicle commissioner, seems to be interested in establishment of a state fund. Although expressing neither approval nor disapproval of the new bill, he said the \$250 deductible clause would lay the way open to a landslide of litigation, and in most cases damages would be as difficult to collect as before. He is interested in some arrangement to assure payment of hospital bills in case of injuries due to auto accidents.

Conference Representatives Meet

Members of the executive committee and approximately 50 company representatives of the Health and Accident Underwriters Conference held meetings in Chicago this week. Both sessions were devoted to a discussion of business affairs of the conference.

Farewell For Payne

PHILADELPHIA — Wallace G. Payne, president of the Accident and Health Club of Philadelphia, was given a surprise farewell luncheon on the eve of his leaving for Hartford to join the accident and health department of the Century Indemnity.

Mr. Payne, one-time head of the accident and health department of both the Indemnity of North America and the Independence Indemnity, had been head of the accident and health department

of the Philadelphia office of the Employers' Liability for several years.

D. S. Walker, vice-president, was advanced to president to succeed Mr. Payne.

Travelers Will Stage Agency Rally in 1940

HARTFORD.—A seventy-fifth anniversary conference of agents and home office executives to be held some time in 1940 is being announced to the Travelers organization.

In a letter to representatives President Zacher said:

"It is proposed to have an instructive and enjoyable program centering mainly on an interchange of ideas pertinent to our business."

He stated that the dates and place of the meeting would be announced later. This selection will be made in accordance with the number who indicate their desire to attend by attaining certain qualifications. The attendance is open to contract agents who write and pay for a minimum amount of life or casualty insurance between Feb. 1, 1939, and Jan. 31, 1940.

The qualification for life insurance is an amount of \$150,000 of new business on 12 or more individuals, with not less than \$3,000 in paid first year premiums.

Comparable amounts of accident, automobile, public liability and other casualty lines, or various combinations, will entitle an agent to an invitation to the meeting. Fire, inland marine, compensation, collision and annuity premiums will not count for qualification.

Lower amounts will be sufficient for agents who went with the company during 1938. Agents who become associated with Travelers during 1939 cannot earn invitations in the casualty lines.

Fred Fox Casualty Manager Cleveland Insurance Agency

CLEVELAND — Henry O. Alge, vice-president of the Cleveland Insurance Agency here, has announced his resignation as vice-president and manager of its casualty department. The agency represents the Standard Accident and the Employers' Liability as general agents for Cuyahoga county. Mr. Alge celebrated his 40th year with the agency, or its predecessors, last May. His action has been taken voluntarily in order to permit him to give more time to personal production. He will continue his connection with the agency, which has recently undertaken a complete modernization of its large quarters in the Guardian building.

Fred H. Fox, who has been acting as casualty underwriter for the agency for the past seven years, will succeed Mr. Alge as manager of the casualty department. Mr. Fox graduated from the University of Illinois in 1926 and immediately entered the training school of the Standard Accident. On completing his course, he was placed in the Detroit office of the company in an underwriting capacity and from there he was transferred to the Cleveland office as chief underwriter, where he remained until he went with the Cleveland Insurance Agency, in 1931, when the local branch was closed and the business cleared through the general agency.

Plan Faneuil Mutual Liability

BOSTON.—Papers have been filed for incorporation of Faneuil Mutual Liability insubstitution for similar papers filed for "Faneuil Hall" Mutual Liability. The change was suggested by the department since a former company had used the latter name.

Broader coverage and new officers are indicated by the new papers. The company asks to write auto liability, general liability, accident and health, plate glass and boiler. A guaranty fund of \$100,000 is put up.

The list of officers indicates a strong Republican influence. Representative T. M. Petersen, a general agent of Spring-

LATE FIRE NEWS

Free War-Risk Coverage to Be Provided by Britain

NEW YORK—Free war-risk insurance will be provided by the British government for damage and loss of life caused by enemy attackers, Sir John Simon, chancellor of the exchequer, has announced, according to the New York "Times." The plan includes insurance on commodities for export.

Sir John is said to have agreed with underwriters in their refusal to accept such policies as an insurable proposition. Sir John refrained from promising full indemnity, saying that after hostilities were over payments would be made in such proportion "as circumstances make possible."

The government's arrangements with the underwriters involve premium payments. These involve government reinsurance up to 80 percent on British ships, but not on voyages begun before an "emergency" arises; similar reinsurance without limit of coverage, the aim being to forestall a paralysis of trade; insurance of essential war stocks under a compulsory plan, whether in the hands of importers, manufacturers or retailers. This coverage will be handled by Lloyds and fire companies, no premium except a registration fee being payable in peace time.

Largest Aviation Insurance Deal in History Completed

NEW YORK—Insurance on the projected fleet of nine Pan-American Airways transatlantic Boeing flying boats believed to be the largest aviation insurance transaction in history, has been placed with two of the American aviation insurance markets, United States Aviation Underwriters and Associated Aviation Underwriters, each taking half the amount insured. One of the new planes has already been delivered to Pan-American.

Two firms handled the placing, Parker & Co., represented by J. Brooks B. Parker and O'Brien, Russell & Co., represented by J. A. Sargent of Boston, who is also president of Roosevelt & Sargent.

Newspaper interviews quoted Mr. Sargent as saying that the planes would have an average value of \$675,000 each and that they had been covered for 70 percent of this value. The insurance involved is solely hull coverage.

Prepare for Big Meeting

Preceded by a grand nest executive committee meeting, the annual Ohio Blue Goose Cleveland stag party will be held Feb. 6 at Hotel Hollenden. Chairmen of all standing committees in charge of activities in connection with the grand

field, is president. James Dempsey, former secretary of ex-Mayor Weeks of Newton, who is chairman of the finance committee of the state Republican committee, is vice-president; W. C. Hill, of Newton, insurance journalist, who has been connected with the state Republican committee during the past two campaigns, is secretary; George M. Nutting, broker and accountant, of Winthrop, formerly in the office of the secretary of state, is treasurer.

San Francisco Brokers Protest

SAN FRANCISCO—The San Francisco Insurance Brokers Exchange has sent a letter to the Pacific Board protesting its alleged part in sponsoring a bill at the legislature designed to regulate commissions to be paid by casualty companies to agents and brokers. The casualty company men deny any connection with the bill which was presented without the knowledge of agents and brokers legislative representatives the last day of the first half of the session.

nest meeting at Cincinnati in August will be asked to report on their work. The executive committee will meet at 3:30 p. m., all ganders being invited to attend whether members of the committee or not. F. J. Weber, Loyalty group, 2100 N. B. C. building, Cleveland, is handling reservations.

Iowa Governor Must Announce Decision Soon

DES MOINES—Gov. Wilson has only one week in which to appoint a new Iowa commissioner to replace M. V. Pew, whose tenure ends Feb. 9. Mr. Pew is filling the term of Ray Murphy who resigned to become assistant manager Association of Casualty & Surety Executives. Mr. Pew's appointment was never confirmed by the legislature and therefore he leaves office 30 days after the legislature convenes, which was Jan. 9. Murphy's term expires June 30, 1939.

There is the possibility that Gov. Wilson will name an acting commissioner awaiting any action from the legislature in merging the banking and insurance departments, as has been mentioned as one of the Republican economy moves.

Much opposition has arisen in the state legislature to such an economy move. Peisen, chairman of the house reorganization committee, reported that he has been receiving "a lot of heat" from insurance companies and bankers concerning the merger.

The companies, Peisen said, contend that the efficiency and service of the department would be impaired in a consolidation. Peisen indicated, however, that he favors the consolidation. Several other members of the committee also favor it.

National Women's Group Is Aim of Oklahoma Club

OKLAHOMA CITY—Formation of a national organization of insurance women was announced as one of the main 1939 objectives of the Insurance Women's Club of this city. Tentative plans are to hold a conference early next spring, at which it is hoped all existing locals will be represented.

Miss Pearl Elsea is in charge of the movement. She stated that all organized insurance women's groups interested in the plan should communicate with her at the National Aid Life building here.

Test Suit at Louisville

LOUISVILLE—Suit was begun this week by some 200 fire companies to test the constitutionality of the firemen's pension tax of 2 percent levied on premiums. The National Board has made a test of similar cases in other cities. A temporary injunction was granted against the city collecting this tax and a hearing was set for Feb. 10.

Memphis Insurance Club Elects

MEMPHIS, TENN.—Gilbert Schloss, president of Frank B. Hunter Insurance Co., has been installed as president of the Memphis Insurance Club. W. M. Stanton is vice-president, Walter Wills, Jr., treasurer, and Russell Thomas secretary. Will Johnston, vice-president of D. A. Fisher, Inc., conducted a forum on forms of insurance coverage and policy conditions.

Commissioner to Visit Exchanges

NASHVILLE, TENN.—J. M. McCormack, Tennessee's new insurance commissioner, will be entertained at reception dinners given him by local exchanges affiliated with the Tennessee Association of Insurance Agents.

Moszkowski Returns to N. Y.

NEW YORK—G. A. Moszkowski, president American International Underwriters and chairman United States Life's foreign business committee, has returned to New York after being away in Europe and Asia on a business trip since early October.

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FIRE INSURANCE NEWS BY STATES

MIDDLE WESTERN STATES

Michigan Agents to Meet Feb. 9-10

LANSING, MICH.—The mid-year meeting of the Michigan Association of Insurance Agents Feb. 9-10 will be de-



P. J. BRAUN

voted primarily to round-table discussions and committee reports. More than 200 agents, are expected.

The two-day program will be launched with a governing committee meeting at Hotel Olds on Feb. 9. This will be followed by an informal dinner. During the evening a joint session of all standing committees will be held.

The Friday meeting will open with committee reports and topical discussions. The noon luncheon will be attended by Governor Fitzgerald, and probably Commissioner Gauss and members of the insurance committees of the state legislature. The afternoon will be devoted to a continuation of round-table discussions. Two addresses on specialized topics are also scheduled. Archie Milard and Earl Dunn of Grand Rapids will talk on "The Comparative Negligence Law" and "Compulsory Automobile and Compulsory Compensation Insurance," respectively.

Topics Are Listed

While all discussion leaders have not been selected the chief topics are: "Comparative Agency Costs," C. B. Smith, Lansing, former president national association, "The Solicitor Problem," Henry Wilson, Grand Rapids; "Rural Electrification" (Association members are insuring all Michigan REA projects), D. H. Nelson, Saginaw; "Educational Programs" (including schools for drivers and classes in insurance topics for agents and office employees), C. E. L. Burwell, Grinnell-Row agency, Grand Rapids; "Local Board Placing of Public Business," P. J. Braun, Flint; "Local Board Collective Advertising," R. A. Bradley, Ann Arbor; "New Farm Fire Form," Percy Worgess, Battle Creek and Lapeer; "B. D. O. Program," J. W. Mundus, Ann Arbor, "Value of Surveys," "Inland Marine," "Public Safety," unassigned.

The famous selling motion picture, "The Magic Words that Make People Buy" will be presented through courtesy of Aetna Life.

Anthony Kostecky, Dickinson, N. D., local agent, was named president of the chamber of commerce.

Iowa Groups Hear of Countersignature Bill Proposed

DES MOINES—A joint meeting of the Des Moines Casualty & Surety club and the Iowa Blue Goose was held here with the legislative and executive committees of the Iowa Association of Insurance Agents.

Following luncheon, insurance bills which are being brought up in Iowa legislature were discussed and details were given of a bill reported out by the legislative insurance committee designed to local agents.

It would repeal the laws pertaining to insurance other than life, require countersignature of agents of commission paying companies; limit right of countersignature to agents whose earnings are derived from commissions, provide for minimum commissions, and also penalties for violation.

Followed Bennett's Talk

The bill resulted from the work of the Iowa association's legislative committee following discussion at a general meeting in December in conjunction with the Insurance Commissioners convention. W. Bennett, National Association of Insurance Agents secretary, at that time pointed out the need for such legislation. The association is also working on licensing and qualification laws which Mr. Bennett also recommended.

The membership has reached 338, a big growth from the 219 reported at the state convention at Sioux City last September. The association is represented in all but 15 of the 99 counties.

B. C. Hopkins, president Iowa association; Larry White, most loyal gander Blue Goose, and C. Moriarty, president of the casualty club, were in charge of the joint meeting. R. W. Forshaw, Anita, National board member and council for Iowa, attended. The agents executive committee held a meeting for two days on legislative plans.

Bill to Bar "Separation" Introduced in Michigan

LANSING, MICH.—A bill to prohibit the maintenance of a so-called clear agency policy on the part of insurance companies has been introduced in the Michigan senate by Callaghan of Reed City and Saur of Kent City. It resembles very closely the law that was enacted in Indiana a year or so ago, taking the Western Underwriters Association people almost completely by surprise. The passage of that bill was engineered by Tipton Ross, president of Pioneer Equitable of Lebanon, Ind. The bill prohibits any two or more insurers requiring or inducing any agent to refrain from representing other insurance companies writing the same class of risk.

Minnesota Agents Driving for New Members

MINNEAPOLIS — Organization work to build up the membership of the Minnesota Association of Insurance Agents is proceeding actively. Recently new local boards were organized at Fergus Falls and Crookston, both important towns, and more boards are in the offing.

The membership committee under direction of A. A. Hirman, Rochester, is getting results in its campaign. The state has been divided in 14 regions each

with a sub-committee on membership. As an inducement to the sub-committees, Chairman Hirman offers free tickets to a Minnesota football game next fall to each regional committee which turns in 10 membership applications.

Final arrangements for the mid-year meeting March 7-8 in Minneapolis, will be made at a meeting Feb. 7 of the general committee.

Two luncheons will be sponsored by the Northwestern Fire & Marine and by the Frank S. Rogers agency of St. Paul. Gov. Harold Stassen of Minnesota will speak at the Rogers luncheon March 7.

Aetna Life and Affiliated Offices Move Quarters

The Indiana branch offices of the Aetna Life, Aetna Casualty & Surety, and Automobile have been moved to the Merchants Bank building at Indianapolis, occupying the entire 11th floor. The new quarters are commodious and equipped with modern furniture, ceilings are sound-proofed.

R. C. Griswold, state manager Aetna Casualty Automobile and Standard Fire, will celebrate his 40th year with the company in March. He has been manager for 16 years. I. W. Sturgeon, assistant manager, went with the company in 1921.

H. M. Failing is state agent Automobile and Standard Fire. Associated with him as special agents are H. E. Timmons and M. R. Beal, and William Middleton is marine special.

Complete claim service and other agency facilities are maintained for each of the companies. The combined office force numbers about 130.

Iowa Zone 6 to Hold B. D. Meeting in Des Moines

DES MOINES—The Iowa zone 6 committee for Business Development will hold a meeting of agents and fieldmen at Ft. Des Moines hotel Feb. 3. The rural agents program will start at 10:30 a. m. Following luncheon a general meeting will be held. J. C. Stuart, Aetna Fire, is field chairman and M. S. Denman is agency chairman.

Speakers in the morning session will be R. W. Forshaw, Anita, board member National Association of Insurance Agents, who will talk on the rural agents program, and O. L. Hansen, Nora Springs, special agent Rain & Hail Bureau, Chicago, who will talk on hail underwriting.

Forum to Follow Discussions

In the afternoon general program Wallace Bodgers assistant manager Western Underwriters' Association, will talk on constructive developments and give a resume of previous meetings; W. T. Shirley, state agent New York Underwriters, on new merchandise, new models and new methods; George Lamair, public relations, and C. W. Borrett, state agent Hanover, on joint activities. An open forum will follow.

Zone 6 is composed of Polk, Madison, Warren, and Marion counties.

The second of the Business Development meetings, that of Zone 1, will be held in Hotel Chieftain, Council Bluffs, Feb. 8. J. R. Oakes, Des Moines, is chairman of fieldmen and Leon Morse of agents. Other committeemen are: for fieldmen, Lee Taylor and C. C. Rich; for agents, Paul Newton, E. R. Redmond, Charles Everest and R. E. McCauley. There will be a rural agents program in the morning, luncheon, and the general program in the afternoon. R. W. (Mickey) Forshaw, Anita, is in charge of the rural agents session. In the afternoon there will be a resume of previous meetings by W. T. Shirley, "Constructive Developments," P. J.

Newton; "New Merchandise, New Models, New Methods," L. K. Taylor; "Public Relations," G. A. Nygren; "Joint Activities," C. W. Borrett, and an open forum.

Annual Figures Given

The Central Manufacturers Mutual of Van Wert, O., shows assets \$6,839,103 and surplus \$3,275,901. The Ohio Underwriters Mutual under the same management has assets \$674,081 and surplus \$249,763. The General Mutual Life shows assets \$688,848 and surplus \$215,155. C. M. Purmort, the president, says, it has been most difficult to invest funds safely and yet receive a good return. At present over 56 percent of the assets are in cash and United States bonds.

Martin Is License Chief

Insurance Superintendent Lloyd has appointed V. G. Martin, Xenia, as chief of the bureau of licenses and examination of agents.

Kolinski Elected President

The annual meeting of the Lorain County Insurance Association was held in Elyria, O. President H. I. Covault of Lorain reviewed activities of the year. The association has 66 members, about 95 percent of the county's agents. Gust Kolinski of Elyria was elected president, J. A. Price of Lorain, vice-president, and Custer Snyder of Lorain, secretary and treasurer. The association plans to enforce the in-and-out rule and will appoint a special committee.

Ohio Agents Employ Organizer

COLUMBUS—The Ohio Association of Insurance Agents has announced the appointment of C. B. Plummer of Portsmouth as field representative. He formerly was in newspaper work and more lately has been in the office of the state auditor. He will travel over the state organizing local boards and seeking new members for the association.

Would Shift Marshal's Duties

Governor Fitzgerald of Michigan announces that he intends to abolish the office of state fire marshal and transfer the duties to the state police. He claims this will produce a saving of \$52,000 a year.

Holland Is Agency Supervisor

Robert B. Holland has been appointed agency supervisor for the Farm Property Mutual of Iowa. For the last four years he has been regional insurance supervisor for the Home Owners Loan Corporation in Detroit and has spent a number of years in the Iowa field. He is the son of the late G. A. Holland, pioneer insurance man of Des Moines.

Pierce in New Post

Walker Pierce of Fayette, Mo., who has been assistant general counsel for the Missouri insurance department was appointed state supervisor of liquor control by Stark.

Woman Heads Alton, Ill., Board

ALTON, ILL.—The Alton Board at its annual meeting elected Mrs. Dorothy Queen, president; Harry Steck, vice-president; Clement Noll, treasurer, and Jay R. Delano, secretary. Dudley F. Giberson was named director.

Draft Insurance Club Slate

MINNEAPOLIS—J. O. Lindskog, local agent, was nominated for president of the Insurance Club. The annual meeting will occur Feb. 13. Others nominated are: for vice-president, G. B. Stephenson, Fred L. Gray Co.; secretary, F. D. Weld, Northwestern F. & M.; treasurer, J. D. Twohig, Minneapo-

lis manager United States Fidelity & Guaranty; director for three years, L. C. McGee, Aetna Fire, Lieut. Col. H. C. Sweeney, Third Infantry, Fort Snelling, Minn., will speak on, "The Checkerboard of Europe." The program is being sponsored by the Charles W. Sexton Co.

Earl Heads Mutual Group

At the annual meeting of the Mutual Insurance Association of Indianapolis O. M. Earl, sales director Grain Dealers National Mutual, was named president.

Cincinnati Design Seal

CINCINNATI—An attractive red and white seal has been designed by the Cincinnati Fire Underwriters Association for use of members on letterheads, policies and envelopes. In an outer circle, the words "Member Cincinnati Fire Underwriters Association" appear. The inner circle has a drawing of an old time fire engine with the words "Founded in 1838" above it, and below in large letters the initials "CFUA."

Agents Secure School Line

School business at Webster City, Ia., has been placed with local agents and stock companies, in accordance with a plan suggested by a local committee.

Yetka Speaks to Firefighters

Commissioner Yetka spoke at a meeting of the Northeast Minnesota Fire Fighters Association at Hibbing, Minn.

Plans for Illinois Meeting

It was announced by those who are promoting the institute for insurance agents for southern Illinois to be held at the Broadview hotel, East St. Louis, Feb. 15, that all agents will be welcome whether they are members of the Illinois Association of Insurance Agents or not. This is being held under the auspices of Region 6. The morning program will feature "Survey Selling." There will be six luncheon conferences covering problems of the rural agent, essentials of an insurance survey, collection and premium financing, local board and business development, casualty and surety conference and the new standard fire policy.

The afternoon program will feature four talks on adjuster's hints, non-ownership liability, inland marine and financial responsibility and driver's license law. The meeting will close at 8:45 p. m.

In the morning session W. H. Stewart of Chicago, chairman of the board of the Illinois association, will report on its

activities. Then will come three speakers who will treat on the essentials of an insurance survey. Wallace Rodgers, assistant manager Western Underwriters Association, will give a talk on the 1939 Business Development program. During the lunch hour there will be six separate conferences. In the afternoon T. E. English, St. Louis adjuster, will give a talk on losses; J. T. Cascy, superintendent agency division Automobile will speak on "Non-ownership Liability Insurance;" F. S. Bankhart of Osborn & Lange, Chicago, will treat inland marine insurance. W. D. Forsyth, general supervisor automobile department secretary of state's office will give an address on "Financial Responsibility and Driver's License Law." The banquet speak-

ers will be T. W. Butler, secretary of the Alton District Manufacturers Association, and Dr. P. L. Thompson, president of Kalamazoo, Mich., college.

MIDWESTERN NOTES

At Louisville, O., the Noreen Agency has been sold to the Paumier Agency.

Mrs. Louise Buchanan of Montpelier, O., has sold her agency to Mrs. Bessie Dwyer.

Charlotte Henderson has sold her insurance agency at Marysville, O., to Robert J. MacIvor.

The Hugh O. Caughey Agency at West Unity has purchased the J. H. Miller Agency.

Announcement is made of the engagement of Marie A. McKenzie, of Cincinnati, to John W. Fish, son of P. O. Fish, Fish & Schulkamp, Madison, Wis.

IN THE SOUTHERN STATES

Mutuals Seek Scalp of Virginia Agents President

The Virginia corporation commission has summoned J. Davis Ewell, president of the Virginia Association of In-



J. DAVIS EWELL

urance Agents, to appear Feb. 21 to show cause why his license should not be suspended or revoked.

G. C. Bayliss of Richmond signed an affidavit charging that Mr. Ewell advised a policyholder of Federal Hardware & Implement Mutuals to cancel a policy in that organization and request

the return of the unearned premium. This policyholder, according to the affidavit, received from Mr. Ewell a copy of what was reputedly an attorney's opinion. The letter from Mr. Ewell, according to the affidavit, contained "flagrant and false misrepresentations as to the insurance policies and contracts issued by the Federal Hardware & Implement Mutuals as to the liabilities of the policyholders of such mutual companies."

The suggestion that the policy be canceled and unearned premium returned was contained in an opinion of an attorney to a client and was not in Mr. Ewell's letter to the insured of Federal Hardware & Implement Mutuals who was requested to read the opinion accompanying letter.

Tennessee Association to Hear Nashville Complaint

The Nashville Insurance Exchange will register a protest at the meeting of the executive committee of the Tennessee Association of Insurance Agents Friday of this week against the application and interpretation of the in-or-out rule of the state organization. J. D. Saint, secretary of the state association, has urged officers and members of all local exchanges to attend the meeting as he states that the Nashville petition is of such a nature that it is of interest to all the exchanges in the state.

A previously planned meeting of exchange presidents and secretaries has been combined with this meeting.

James E. Hassinger, New Orleans, who recently was called to assist in perfection of the plans of the Pittsburgh Exchange, will deliver the opening ad-

dress on exchange organization, management and control. Mr. Saint asked that responsibility for actions being planned be shared by members of exchanges and the association rather than by the executive committee alone.

President A. G. Bennett called a special meeting of the Nashville Exchange for Feb. 9, at which the proposed new constitution and by-laws will be discussed.

Thigpen Resigns Alabama Post

G. H. Thigpen has resigned as deputy superintendent of Alabama. It is understood that he will make an announcement of a new connection shortly. He served as insurance superintendent from 1927 to 1931. He went back to the department as deputy superintendent in 1935.

Claims Big Texas Savings

Fire Insurance Commissioner Hall of Texas, in his annual report to the governor, estimated that rate reductions effected during 1938 will produce a saving of \$2,500,000 in premiums. The reduction amounts to about 10 percent of the total premiums, Mr. Hall estimated. An additional saving of about \$1,500,000 was made by increasing the maximum good record credit to 25 percent, from 20 percent, and its extension to more cities, according to Mr. Hall. The work of the insurance department in revising rating schedules and data has been greatly increased because of the public improvements program in nearly all cities, aided by government loan and grant financing.

Brown Now in Columbia

Henry A. Brown, the new manager of the South Carolina Association of Insurance Agents, is using his home at 2415 Wilmot Avenue, Columbia, S. C., as headquarters for the time being.

Unger Reelected in Mobile

MOBILE, ALA.—D. S. M. Unger was reelected president of the Mobile Board at the annual meeting. Other officers renamed are: J. M. Ladd, vice-president, and J. F. Bullock, secretary-treasurer. J. F. Maury, Clyde Foreman and Frank Patrick were elected to the grievance committee. Peyton Norville was toastmaster.

Oklahoma Insurers Meeting

OKLAHOMA CITY—At the meeting of the Oklahoma City Insurers Exchange this week Vice-President H. L. Farish presided in the absence of President Herb Haiman. M. L. Sumner reported on the plan of St. Louis Brokers Association regarding cooperation with real estate and auto loan companies for preservation of business in their respective fields. Consideration is being given to adopting this plan here.

Clarksville Exchange Elects

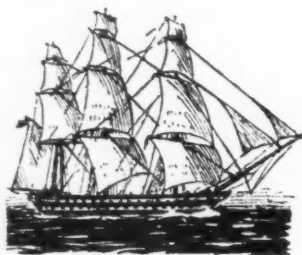
CLARKSVILLE, TENN.—The Clarksville Insurance Exchange has elected the following officers: L. N. Byers, president; John Conroy, vice-president, and Arch Covington, secretary and treasurer. J. G. Holleman, J. M. Dickson, Mrs. N. R. Bardwell and Lane Marable were elected directors. A constitution and by-laws have been drawn up and will be considered for adoption at the next meeting.

Gottschalk Agency Meeting

NEW ORLEANS—Celebrating its fifth anniversary, the Gottschalk General Agencies of New Orleans, of which Robert Gottschalk is president, held a three-day agency convention.

New San Antonio Committees

SAN ANTONIO.—President Frazer of the San Antonio Insurance Exchange has appointed his committees. Chairman of the membership committee is W. L. Stiles; legislative, A. G. Randol;



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surety, F. C. Gittinger; casualty, E. B. Ramsdell; board placement public insurance, C. F. Dieter; fire prevention, Oliver C. Sawtelle; constitution and by-laws, W. L. Stiles; non-stock competition, W. R. Levy; solicitors, Arthur Mathis; education, Fred Scheibe; agency contracts, A. C. McDavid.

SOUTHERN NOTES

Claude A. Parker has bought the A. C. Crawford local agency at Clinton, Okla.

John Hopkins & Co., local agency, has been organized at Kilgore, Tex.

Paul W. Usery, local agent, has been elected president of the Clarksville, Tex., chamber of commerce.

Stokes D. Bishop has been appointed manager of the insurance department of

E. B. Bynum & Co., Dallas. Mr. Bishop recently was a supervisor for the United Fidelity Life of Dallas, but prior to that had had local agency experience.

Robert Maxwell, of F. W. Offenhausen & Co., Texarkana, Ark., was elected chamber of commerce president. He has been chairman of the industrial committee.

D. L. Anderson & Co., Houston agency, has changed its name to Anderson & Montgomery, with offices in the Kirby building. The firm is composed of Durward L. Anderson and Roy D. Montgomery.

The Cochran-Graves Agency, composed of B. Porter Cochran and L. H. Graves, has been formed at Dallas with offices in the Republic Bank building. Mr. Cochran formerly was assistant secretary-treasurer of the Roswell Insurance & Surety Company of New Mexico and Mr. Graves was with Dun & Bradstreet.

passed four years ago, no single risk can be insured for more than 10 percent of the capital in the fund. This means that not much more than \$20,000 worth of insurance could be placed on any public building in the state, as the amount in the fund is only about \$230,000. Experts place \$500,000 as a conservative minimum which should be in the fund to afford any semblance of protection.

Farm Mutuals Lose Idaho Fight

The Idaho house of representatives has defeated a bill to permit farmers mutual fire companies to write city residence. Representative Anderson, sponsor of the measure, attacked what he charged are the high premium rates of "the old line companies," and said that in Idaho Falls every dollar paid out in fire losses cost the policyholders \$3.90 in premiums. He claimed that \$2.90

"goes to Wall street." One of the representatives opposing the bill said that mutual companies have to meet no state qualifications and pay only three-fourths of the fire loss, whereas, he said, the old line companies pay in full. A champion of the mutuals declared that no company pays 100 percent and that all owners of property must all take one-fourth of the risk.

Arizona Committees Named

V. M. Haldiman of Phoenix, president Arizona Association of Insurance Agents, has appointed as executive committee C. W. Bond, Phoenix, chairman; L. C. Rupp, Bisbee; E. J. Jones, Douglas; W. P. Aven, Prescott; Spencer Kimball, Safford; Ed Bringham, Phoenix, and Sherman Hazeltine, Prescott. Committee chairmen are: Mr. Bringham, membership; Les Curtis, Phoenix,

PACIFIC COAST AND MOUNTAIN

A. D. T. Makes Elaborate Preparations For S. F. Fair

SAN FRANCISCO—The Golden Gate International Exposition will have eight units of fire fighting apparatus at three fire houses, the alarm system being provided by American District Telegraph fire alarm transmitters. The first alarm will call out half the apparatus. Another alarm received before that equipment is back in service will call out the other half of the equipment. Additional apparatus and personnel if needed, will be sent from the mainland over the San Francisco-Oakland Bay bridge.

Basis of the A.D.T. fire protection systems will be about 650 circuits of aero automatic fire detection and alarm, which under exposition regulations is required throughout all buildings and enclosed spaces. Operating automatically upon the outbreak of fire, the aero system taps out its code signals at various points as well as in the A.D.T. central station in San Francisco.

There will also be 400 manual fire alarm boxes in service throughout the buildings, including 55 street boxes.

In addition to the fire alarm system, the A.D.T. will have burglar alarm systems connected to the local police headquarters where A.D.T. guards will be on full time duty. Some areas will also be protected by automatic sprinkler systems equipped with A.D.T. waterflow alarm and sprinkler supervisory service. In the comprehensive patrol system for the palace buildings watchmen will make the rounds of A.D.T. compulsory tour stations.

Fire fighting apparatus includes two pumpers, two eighty-five foot aerial ladders, two 400-gallon water carrying units, one high-pressure unit with monitor battery, and one fire boat tender with two monitor batteries. Men on duty will be seasoned fire-fighters from the heavy-value districts of San Francisco. Personnel will be divided into

two platoons, each shift under a battalion chief.

Colorado Association Bars "Participating" Agents

PUEBLO, COLO.—At a special meeting here, directors of the Colorado Association of Insurance Agents adopted a resolution providing that no agent who represents dividend paying companies is eligible for membership. The action follows a similar step recently taken by the Denver Association of Insurance Agents. Legislative and other matters also were discussed.

Sickness Hits Bureau

Seven employees of the Mountain States Inspection Bureau are out on sick leave as a result of the influenza epidemic here. Among them are Floyd Brown, sprinkler engineer for the Bureau.

Defeat Participating Policy Bill

CHEYENNE, WYO.—House Bill 32, which would have permitted the General of Seattle to write participating policies was defeated on third reading in the house. The efforts of Chet V. Davis, national councillor, and other officers of the Wyoming association were responsible for the measure's defeat.

May Abandon Colorado Fund

DENVER—A bill calling for the diversion of moneys in the state fire fund to the general fund has been introduced here. Since Governor Carr has called for establishment of a definite policy on the handling of state insurance in the future, with all insurance either being placed in the fund or the fund being abandoned and all insurance being placed on the outside, the measure is accorded good chances of passage. Under an amendment to the fire fund law,

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educational; W. C. Miller, Phoenix, legislative; Mr. Kimball, rural agents; Mr. Hazeltine, business development.

Plan to Get County Line

LOS ANGELES.—The fire insurance line of the county of Los Angeles, totaling approximately \$60,000,000, will come up for renewal July 1. Already the city and county committee of the Los Angeles Insurance Exchange is laying plans to participate in the bidding when the board of supervisors calls for bids. The committee is headed by H. M. Burgwald.

Arizona Educational Program

The Arizona Association of Insurance Agents is being successful in starting an educational program. The Arizona State College at Tempe offers an insurance correspondence course with Prof. P. R. Jackson in charge. Tuition is \$10 and the mimeographing fee \$1. There will

be an insurance course at the Phoenix Union high school at Phoenix every Monday evening from 7 to 9 o'clock for 16 weeks. The association now has 64 members.

Spokane Group Has Election

SPOKANE, WASH.—The Spokane Insurance Association elected C. M. Livingston president. He formerly was vice-president. R. H. Rogers was named vice-president, and T. J. Meenach, re-elected secretary-treasurer.

Yakima Exchange Elects

YAKIMA, WASH.—C. F. Barrows was reelected president of the Yakima Fire Insurance Exchange. C. E. Frazer is secretary-treasurer and Philip Philly is vice-president.

E. P. Eppich addressed the **Insurance Women of Denver** on "Automobile Insurance."

EASTERN STATES ACTIVITIES

Seek to Regulate "Faltering" Mutuals

BALTIMORE.—The Maryland insurance department has requested the general assembly for authority to protect policyholders from "faltering" companies. Heretofore the department has been unable to act because of statutory restrictions.

It is proposed that the following legislation be enacted: (1) An act empowering the department to proceed against mutual insurance companies that write extremely hazardous policies if they permit their assets to fall below a prescribed minimum. (2) An emergency act to make secure a \$600,000 bond posted in the state for the protection of Maryland policyholders by a West Virginia company that has been undergoing court proceedings, the protection to be obtained by providing for an ancillary receiver in Maryland. (3) An act requiring the signature of licensed Maryland agents on all policies written in the state by outside concerns.

The measures were introduced by Leon Abramson, chairman house committee on insurance and loans. They mark the latest stage in a ten-year fight by the department for greater control over mutual insurance companies engaged in what is regarded as hazardous underwriting. Such companies are said to fold up sometimes without leaving any tangible assets for the policyholders. There has been no instance Maryland companies failing, but in three recent cases policyholders lost the protection paid to outside firms.

Present Law Insufficient

A decade or so ago mutual companies were permitted to engage in business with little more in the way of assets than impressive stationery and a mailing address. The fight made by the insurance department to raise the standard of qualifications has resulted in the enactment of provisions that no company of this character can qualify to do business in the state unless it can show \$100,000 capital and a surplus of \$50,000. This, in the opinion of the department, does not suffice for the adequate protection of policyholders. The department states that it soon discovered that there was no insistence on the capital and surplus being maintained at that level. A company could accumulate the required surplus, and then let the reserves dwindle to nothing.

An attempt to remedy this defect was pigeonholed in the state senate in past years.

The new bill contains a provision which allows the companies affected to restore their financial status to the required level three years from the effective date of the act.

Falls, Carey on Pittsburgh Day Card

PITTSBURGH.—President W. M. Reid of the Insurance Club of Pittsburgh announces that the program for Pittsburgh Insurance Day Feb. 13 has been completed. The fire round table discussion will be under the direction of the Smoke & Cinder Club, with Robert F. Miller as chairman. The speaker will be L. E. Falls, vice-president American, and S. W. Carey, III, vice-president Appleton & Cox, who will speak on inland marine.



W. M. REID

Numerous company executives have already accepted invitations to attend. In addition to Insurance Director Palmer of Illinois, the banquet speaker, Commissioners Taggart, Pennsylvania; Lloyd, Ohio, and Hanna, Maryland, have signified their intention of attending.

Mr. Reid, who was just recently elected president of the Insurance Club has been active in the business in Pittsburgh for 37 years. His firm, which started as Behrens and Reid, has operated under its present name of Wallace M. Reid & Co., since 1904. The company is general agent for Ocean Accident and Globe Indemnity, surety department, and has represented Phoenix of Hartford, National Union Fire and London & Lancashire for a number of years.

Mr. Reid is past president and one of the organizers of the Insurance Federation of Pennsylvania and is a director of the Pennsylvania Association of Insurance Agents.

Mr. Reid's hobbies are golf and flowers. He is a member of the Pittsburgh Field Club and has a small but well-kept garden in his back yard, which he tends himself.

A brother, Charles A. Reid, is associated with him in business, and another brother is A. Duncan Reid, president Globe Indemnity.

Agency Formed in Boston to Handle Subrogation Cases

BOSTON.—An agency to facilitate the subrogation operations of fire companies has been granted a charter by the state, to be known as Loss Service Incorporated. John H. Eddy, well known Boston general agent, is president and

Franklin J. Connors, head of the Franklin J. Connors Co., agency is treasurer. The clerk is Robert M. Morrison, a Boston attorney specializing in insurance law. According to the company's papers "The organization's plan of operation is to offer its services to companies as soon as a loss occurs, so that evidence enabling a company to recoup its loss payments by proceedings against parties legally responsible for the loss may be secured before the trail gets cold, rather than wait until the case is settled and evidence to support a subrogation case is lost."

The company will handle marine and automobile cases but will pay special attention to ordinary fire losses.

J. W. Just in Maryland Post

J. W. Just has resigned as director of the Wisconsin Schools of Vocational & Adult Education, fire service division, to become director of the fire service extension department college of engineering Maryland University. He succeeds the late Prof. R. C. Criswell, who died suddenly a short time ago.

Mr. Just has had valuable training and experience in fire protection and prevention activities. He started with the Michigan Inspection Bureau as a fire department instructor, subsequently serving as chief of the fire department of Monroe, Mich. Later he was associated with the fire prevention department of the Western Actuarial Bureau as fire department instructor. Prior to going with the Wisconsin Schools, Mr. Just was connected with the Western Factory for a time.

Maryland Regional Meeting

At the regional meeting of the Maryland Association of Insurance Agents at Salisbury, O. H. Bloodsworth of Princess Anne, the vice-president, was in

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INSURANCE

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charge. There were about 40 agents present. There was a business session in the afternoon followed by a dinner. The chief after dinner speaker was F. W. Reinhart, manager of the First Bancredit Corporation at Philadelphia. During the afternoon session there was a report of the activities of the legislative committee made by T. B. Cash of Westminster, who is chairman.

Albany Educational Course

The Albany Field Club is sponsoring an elementary course of 18 weeks, beginning Feb. 6, in fire insurance and allied lines. The fee is \$15. It is intended for the younger people connected with the agencies. The project is under the direction of Herman Grebert, chairman of the educational committee. He is Albany manager of the Fire Companies Adjustment Bureau.

Classes Well Patronized

NEWARK—The educational program sponsored by the New Jersey Association of Underwriters is meeting with far greater success than anticipated by the committee. Classes being conducted here and in Atlantic City and central New Jersey, and classes being formed in other parts of the state, are well patronized and are proving helpful to agents and their employees.

Winchester Feted at Dinner

NEWARK—A testimonial dinner was given to P. M. Winchester, new manager of the New Jersey territory of the Fire Companies Adjustment Bureau. Officials and underwriters in the fire and casualty fields in this state and New York attended. E. L. Lewis, general agent Underwriters Salvage, on behalf of the gathering presented Mr. Winchester a moving picture outfit. G. W. Lilly, general manager Fire Companies Adjustment Bureau, was toastmaster. Speakers included E. C. Niver, executive vice-president New York Board; A. T. Vanderbilt, past president American Bar Association; C. A. Ericson, past president Eastern Loss Executive Conference; W. F. Russell, supervisor northern New Jersey Fire Companies Adjustment Bureau; G. H. Buckingham, president New Jersey Special Agents Association; L. A. Watson, expert Schedule Rating Office of New Jersey; J. M. Byrne, Jr., local agent; L. P. Kristeller, chairman insurance law section American Bar Association; S. H. Mehrtner, past most loyal grand handler Blue Goose, and E. L. Lewis.

EASTERN NOTES

B. C. Curry Company, 6 East Franklin street, Baltimore, has been incorporated.

The **George M. Woodcock agency** has been established in the Dun building, Buffalo. Principals are Charlotte M. Goode and Eva L. Wilcox.

Fred J. Hettling, formerly sales manager for the Frank T. Lauinger Company, has an agency in the Grant building, Pittsburgh.

The **Washington Underwriters** has been licensed at 1120 Munsey building, Baltimore, by B. B. Filkin, S. Schwartz and E. L. Sandler.

The **Ajax Insurance Agency**, 141 Milk street, Boston, has been incorporated by Leland W. Kingman, David W. Storey, Arthur Langdon and G. R. Brooks.

Eugene C. Hogert, Newark local agent, has been elected president of the Ridgewood (N. J.) Board of Realtors and **John F. Neilson, Jr.**, local agent, has been elected president of the Teaneck, N. J., Real Estate Board.

CANADIAN

Fire Losses Show Increase in Canada for 1938

TORONTO—Fire losses in Canada increased 19.02 percent during 1938. The higher trend, which became apparent in 1937, was intensified during 1938. The year closed with a loss of \$27,128,695, \$4,382,627 higher than the total loss of \$22,746,058 for 1937. However, the figure is well under the average loss for the past ten years.

Five provinces experienced increases, but loss totals in Alberta, Saskatchewan, Nova Scotia and Prince Edward Island were less than in the previous year. Percentage increase in British Columbia was greatest in any province due to the Vancouver pier fire and Quebec registered the second largest percentage gain. Ontario was ahead of the previous year by about \$1,000,000, or around 13 percent.

Losses by provinces for the entire year were as follows: Alberta, \$887,600; British Columbia, \$2,602,500; Manitoba, \$519,500; New Brunswick, \$735,570; Nova Scotia, \$990,800; Ontario, \$3,703,425; Prince Edward Island, \$63,400; Quebec, \$4,864,900; Saskatchewan, \$361,000; estimate on unreported fires, \$10,400,000; total \$27,128,695.

January, with \$3,081,000, was the worst month of 1938 for fire losses while September was the lightest month with only \$1,586,375.

Quebec Pond to Hear McNairn

Hartley D. McNairn, Ontario insurance superintendent of Ontario, will be guest speaker at a luncheon meeting of the Quebec Blue Goose Feb. 4.

The **County Fire** of Philadelphia has withdrawn from British Columbia.

MARINE

Tells of "Acts of God" in the Marine Line

C. E. Hydes, manager of the Fireman's Fund at its head office, in its "Record" calls attention to the fact that transportation carriers were great sufferers during 1938 in the destruction of roadbeds, buildings and equipment and in addition the loss to merchandise in transit said to have exceeded \$12,000,000. Many losses are attributed to so-called "Acts of God." Mr. Hydes says that in the absence of negligence on part of the carrier this is generally a valid defense under uniform bill of lading and losses of this kind in the main therefore fall on the cargo owner. He says that where losses have occurred in remote sections, miles away from the owner of the merchandise, the difficulty of prosecuting claims and caring for goods has been increased correspondingly.

He discusses what might be a definition of "Act of God." Evidently it is subject to a variety of interpretations. Briefly, Mr. Hyde said, it may be classed as an inevitable accident which cannot be prevented by human care nor guarded against by human skill or foresight. Lightning, floods, earthquakes, tempests, storms of extraordinary violence, torna-

Board of Underwriters of N. Y. Has Election



S. D. McComb

S. D. McComb, head of Marine Office of America, was elected president of the Board of Underwriters of New York, the marine organization at the annual meeting. H. T. Chester is the retiring president. The new vice-president is W. D. Winter, president Atlantic Mutual. Secretary is F. B. McBride and treasurer H. C. Thorn.

does and other like disturbances of the elements, he said, are usually regarded as "Acts of God," but this is not true of storms and weather conditions which are not unusual in character and which could have been reasonably anticipated. Loss or damage might have been prevented by intervention of human management.

He calls attention to carriers in the event of a loss arising from disturbances which may be classified as "Acts of God," are precluded from making payment even should they so desire, by Interstate Commerce Commission regulations. These "Acts of God" losses, Mr. Hydes says, are a serious hazard. Therefore inland marine companies are prepared to issue to prudent merchants whose constant flow of traffic is always in jeopardy an annual policy at a reasonable premium, predicated on volume and character of the merchandise, and including, as a further measure of safety, the risks of strikes and riots, which also

is an exclusion in the same section of the bill of lading.

Atlantic Mutual Reports

Atlantic Mutual of New York reports assets \$16,081,885 at Dec. 31, 1938. This is a gain of about \$50,000. Guaranty fund is \$3,000,000 and net surplus \$6,559,985.

Open Indianapolis Office

NEW YORK—Appleton & Cox, marine underwriters, have opened a service office for all of their companies, at 406 Indiana Trust building, Indianapolis. H. C. Bornkamp, will be in charge as state agent. He has been associated with Appleton & Cox for many years, serving as inland marine underwriter, and also doing considerable field work.

State Sustains \$30,000 Loss

LOUISVILLE.—The state of Kentucky, which for some time has been carrying its own insurance and endeavoring to build up a state fund to cover state owned buildings, suffered another loss of about \$30,000, in destruction by fire of a three story brick dormitory at the Kentucky House of Reform, Greendale, Ky. The west wall of the building fell.

London Lloyds Wins Surety Suit

(CONTINUED FROM PAGE 17)

director correctly decided some question which he was authorized to decide, but whether he acted without authority.

The surety companies, the judge went on to say, take the position that the question is a judicial one; that the determination of a judicial question is within the inherent jurisdiction of the court and that the legislature cannot take that jurisdiction away and that section 201 should be construed and applied in such a way as not to make it unconstitutional.

After citing a number of decisions, Judge Hemphill said he had come to the "belated conclusion" that section 201 announces a settled public policy of the state. Such policy must be recognized by the courts. The section does not deprive the court of inherent jurisdiction to oust Lloyds if they are acting unlawfully but limits the capacity of the surety companies in any proceeding brought to test Lloyds' right to do business. The court has jurisdiction to proceed in such a matter but only if the action is instituted by the person who apparently is given the exclusive right of authority to act by the legislature. He said that he could not agree with the contention of

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the surety companies that section 201 should be limited to proceedings involving insolvency or liquidation. Section 201 is a part of the code, he said, and the scope of that article is sufficient to include the present proceedings.

"If I had taken this view on the former hearing I would have avoided considerable delay and much effort," Judge Hemphill declared.

Pending in circuit court in Springfield as well as the quo warranto suit is a petition to review Mr. Palmer's Lloyds relicensing order.

Counsel for London Lloyds have been saying that the construction of section 201 which Judge Hemphill endorsed, affords protection to all insurance companies, whereas the construction asserted by the plaintiff, if upheld, would permit anyone with a grievance or fancied grievance to bring an ouster action against an insurer.

Those sympathetic with the plaintiff's

case, on the other hand, state that if Judge Hemphill's construction becomes the authority there will be no avenue open to challenge any action taken by the insurance director, because he is the only one that can initiate such an action. Those on the surety company side are convinced there is no doubt that section 201 was enacted to protect insurance companies from irresponsible receiver-ship action only.

The plaintiffs, informally, are also critical of Judge Hemphill's conclusion that the licensing of Lloyds that was challenged was merely the renewal of a certificate of authority. They say that this was the first time that Lloyds had been licensed under the new law and that furthermore it was the first time that a great many of the individual Lloyds underwriters had been licensed. Previously certain Lloyds underwriters had been licensed under the previous law, but a great many more took steps to get licensed under the new law.

Final decision has not yet been made by the interested surety companies whether to take an appeal, but it seems to be a foregone conclusion that the case will be carried higher. The committee that has had the matter in charge is scheduled to have a meeting this week to decide upon the future course. Washington Bowie, Jr., general counsel for Fidelity & Deposit, is chairman of that committee. E. V. Mitchell, general counsel for Continental Casualty, and W. O. Schilling, Chicago manager of U. S. F. & G., have been keeping in close touch with the case right along.

Casualty Companies' 1938 Statements

(CONTINUED FROM PAGE 10)

res., \$17,090; capital, \$1,500,000; surplus, \$2,500,000. Experience:

	Net Preme.	Losses Pd.
Accident	\$ 133,007	\$ 31,345
Health	37,046	14,563
Non-canc. H. & A.	61,092	19,807
Auto liability	4,068,794	1,716,348
Other liability	698,569	99,320
Workmen's comp.	475,426	225,260
Fidelity	232,242	63,185
Surety	329,833	31,113
Plate glass	3,609	678
Burglary and theft.	212,413	109,167
Steam boiler	15,394	989
Engine and mach.	10,713	16,627
Auto prop. damage.	347,531	193,960
Auto collision	18,013	8,936
Other P. D. and coll.	42,876	10,869
Credit	149,323	42,873
Total	\$6,835,881	\$2,585,040

Fort Worth Lloyds, Tex.—Assets, \$225,066; dec., \$2,068; unearned prem., \$52,980; loss res., \$2,982; liab. res., \$5,190; comp. res., \$2,877; guarantee fund, \$80,000; surplus, \$70,602; inc., \$11,850. Experience:

	Net Preme.	Losses Pd.
Auto liability	\$ 14,509	\$ 7,473
Other liability	2,582	21
Workmen's comp.	19,993	16,764
Fidelity and Surety.	453	.....
Plate glass	1,288	200

	Net Preme.	Losses Pd.
Burglary and theft.	541	532
Auto prop. damage.	4,899	1,653
Auto collision	16,625	6,325
Other P. D. and coll.	95	40
Other auto	17,907	10,565
Total	\$ 78,896	\$ 43,575

Farmers' Mut. Auto., Wis.—Assets, \$1,093,698; inc., \$258,680; unearned prem., \$325,932; loss res., \$52,321; liab. res., \$344,272; surplus, \$335,297; inc., \$127,106. Experience:

	Net Preme.	Losses Pd.
Auto fire	\$ 42,809	\$ 6,961
Auto theft	36,265	5,963
Auto tornado	6,849	970
Auto liability	750,537	290,784
Burglary and theft.	19,516	4,676
Auto prop. damage.	191,572	101,089
Auto collision	70,517	40,613
Other auto, special comb. add'l cov.	1,658	645
Total	\$1,119,728	\$ 451,703

Grange Mut. Cas., O.—Assets, \$126,112; inc. dec., \$13,101; unearned prem., \$54,970; loss res., \$8,846; liab. res., \$10,510; capital, \$15,000; surplus, \$33,682; inc., \$26,027. Experience:

	Net Preme.	Losses Pd.
Accident	\$ 2,946	\$ 69
Auto liability	75,109	78,398
Auto theft	9,007	2,358
Auto fire	9,396	1,968
Auto prop. damage.	44,205	24,740
Auto collision	53,009	33,843
Other auto	198	.....
Total	\$ 193,915	\$ 141,391

Home Mut. Cas., Wis.—Assets, \$136,671; inc., \$53,876; unearned prem., \$63,169; loss res., \$6,724; liab. res., \$51,069; surplus, \$13,546; inc., \$8,366. Experience:

	Net Preme.	Losses Pd.
Auto liability	\$ 98,963	\$ 33,413
Auto glass breakage	711	611
Auto fire	5,384	1,175
Auto theft	5,333	1,175
Auto tornado & hail	1,188	1,175
Auto prop. damage.	35,532	10,221
Auto collision	5,215	2,600

Inter-Ocean Cas.—Assets, \$717,050; inc., \$86,723; unearned prem., \$211,021; loss res., \$90,650; capital, \$150,000; surplus, \$193,140; inc., \$60,969. Experience:

	Net Preme.	Losses Pd.
Health	\$1,557,351	\$ 692,482

Minn. Com'l Men's—Assets, \$311,705; inc. dec., \$20,412; unearned prem., \$2,141; loss res., \$24,235; liab. res. (for expenses), \$2,625; surplus, \$282,703; inc., \$19,237. Experience:

	Net Preme.	Losses Pd.
Accident	\$ 120,620	\$ 99,815
Health	173,613	67,486

Minn. Farmers Mut. Cas.—Assets, \$245,552; inc., \$30,027; unearned prem., \$69,302; loss res., \$3,685; liab. res., \$50,326; surplus, \$118,426 (incl. \$100,000 guar. fund); inc., \$13,073. Experience:

	Net Preme.	Losses Pd.
Fire and theft	\$ 24,569	\$ 4,901
Auto liability	54,073	26,107
Auto prop. damage.	22,555	8,387
Auto collision	30,995	14,916
Total	\$ 132,193	\$ 54,312

Progressive Mut., Minn.—Assets, \$34,804; inc., \$2,887; unearned prem., \$7,856; loss res., \$3,149; surplus, \$21,980; dec., \$1,843. Experience:

	Net Preme.	Losses Pd.
Accident and health	\$ 62,639	\$ 25,294

Standard Mut. Cas., Ill.—Assets, \$263,667; dec., \$9,580; unearned prem., \$60,996; loss res., \$5,672; liab. res., \$26,014; surplus, \$74,943; inc., \$3,754. Experience:

	Net Preme.	Losses Pd.
Auto liability	\$ 69,712	\$ 47,633
Burglary and theft.	15,856	3,851
Auto prop. damage.	30,222	11,462
Auto collision	18,574	12,849
Total	\$ 134,454	\$ 75,813

Texas Indem.—Assets, \$957,426; inc., \$16,807; unearned prem., \$47,848; comp. res., \$436,955; capital, \$300,000; surplus, \$331,238; dec., \$10,628. Experience:

	Net Preme.	Losses Pd.
Workmen's comp.	\$ 544,349	\$ 216,256
Surety	96	.....
Total	\$ 544,253	.....

Western States Mut. Auto., Ill.—Assets, \$135,952; unearned prem., \$66,031; loss

res., \$4,092; liab. res., \$19,451; surplus, \$39,030; inc., \$17,204. Experience:

	Net Preme.	Losses Pd.
Auto liability	\$ 60,972	\$ 15,777
Auto fire	7,930	836
Windstorm	1,412	256
Auto burglary and theft	7,902	1,025
Auto prop. damage.	32,386	8,900
Auto collision	38,127	19,771
Total	\$ 149,897	\$ 47,956

Illinois Advisory Council Setup Is Announced

Members of the Illinois insurance advisory council, made up of representatives of various insurance organizations, is announced this week. The council held its first meeting of the year at a luncheon. H. N. Douglass, resident manager New Amsterdam Casualty, president Illinois Insurance Federation, presided as chairman. Mrs. Lillian L. Herring, federation secretary, is council secretary.

The council is devoted to coordinating the legislative efforts of the various organizations. It has proved an effective medium for sponsoring constructive legislation and opposing dangerous bills. The members this year, with alternates are:

American Life Convention, C. B. Robbins, manager and general counsel; R. H. Kastner, assistant counsel, alternate; Casualty Managers' Club of Chicago, James White, Travelers Indemnity; E. Irving Fiery, Royal Indemnity, alternate; Chicago Insurance Agents Association, Lyman M. Drake, Critchell, Miller Whitney & Barbour; H. E. Reeves, Joyce & Company, alternate; Chicago Association of Life Underwriters, C. B. Stumes, Penn Mutual Life; Wm. M. House, John Hancock, alternate; Chicago Board of Underwriters, J. S. Gilden, manager; R. M. Cunningham, president Chicago Board, Marsh & McLennan, alternate; Illinois Association of Insurance Agents, W. Herbert Stewart, Stewart, Keator, Kessberger & Lederer; A. S. Keys, Illinois Association of Insurance Agents, Springfield, alternate; Illinois Association of Life Underwriters, C. F. Axelsson, Northwestern Mutual Life; P. B. Hobbs, Equitable Society, alternate; Illinois compensation committee, George H. Moloney, Hartford Accident; Illinois Chamber of Commerce Insurance Committee, George R. Kendall, Washington National, Evans-ton; H. A. Behrens, Continental Casualty, alternate; T. J. Meek, secretary insurance division, Illinois Chamber of Commerce; Insurance Brokers' Association of Illinois, Gail Reed, Fred S. James & Co.; M. A. Myers, Critchell, Miller, Whitney & Barbour, alternate; Health & Accident Underwriters Conference, Edward St. Clair, North American Accident; C. O. Pauley, Great Northern Life, alternate; Insurance Federation of Illinois, W. O. Schilling, United States Fidelity & Guaranty; W. H. Hansmann, Fidelity & Deposit, alternate; Life Insurance Companies of Illinois, E. V. Mitchell, Continental Assurance; Henry Abels, Franklin Life, Springfield, alternate; National Association of Insurance Agents, P. B. Hosmer, R. W. Hosmer & Co.; Allan L. Wolff, Associated Agencies, alternate; National Board of Fire Underwriters, E. M. Griggs, assistant general counsel; Surety Underwriters Association of Chicago, J. I. Johnson; J. J. Reynolds, Century Indemnity, alternate.

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ACCIDENT AND CASUALTY INSURANCE COMPANY
OF WINTERTHUR, SWITZERLAND

111 JOHN STREET
NEW YORK

United States Branch

Statement December 31, 1937

ADMITTED ASSETS

U. S. Treasury Bonds	\$1,609,430.74
Other Bonds	1,092,741.25
Stocks	88,729.00
Accrued Interest	22,968.47
Cash in Office and Banks	118,253.45
Premiums in Course of Collection	69,094.82
(Less than 90 days due)	<u>\$3,001,217.73</u>

LIABILITIES

Reserve for Unearned Premiums	\$ 127,716.91
Reserve for Outstanding Losses	33,049.40
Reserve for Other Liabilities	32,719.42
Voluntary Contingency Reserve	307,732.00
Total Liabilities	<u>\$ 501,217.73</u>
Statutory Deposit, New York	850,000.00
Net Surplus above Deposit	<u>1,650,000.00</u>
Policy Holders' Surplus	<u>2,500,000.00</u>
	<u>\$3,001,217.73</u>

Bonds and Stocks owned are valued in accordance with the requirements of the New York State Insurance Department and the National Association of Insurance Commissioners. Securities carried in the above Statement at \$1,255,477.84 are deposited as required by law.



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